

FULL

# Workforce Development Strategic Plan

2022-2026



*resourcing*  
**NEWCASTLE 2040**



# Welcome



## Acknowledgement of Country

We all sit on Awabakal and Worimi land  
'Niirun Yalawa Awabakal dha Worimi burrai'

City of Newcastle (CN) acknowledges its Local Government Area (LGA) sits within the Country of the Awabakal and Worimi peoples. We acknowledge that Country for Aboriginal peoples is an interconnected set of ancient relationships. We acknowledge the custodianship of the Awabakal and Worimi peoples and the care and stewardship they have performed in this place since time immemorial.

Always was, always will be Aboriginal land  
'Wunyibu wunyibu warra wunyibu wunyibu  
gkuuba Aboriginal burrai'

Smoking ceremony held at the new City Administration Centre building at 12 Stewart Avenue. The ceremony also included; Wakakulang Dance Troupe, Aboriginal catering and a special guest talk by artist Saretta Fielding.

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City of  
Newcastle

# Executive Summary

**City of Newcastle (CN) operates in a complex environment that requires flexibility and agility to deliver on the expectations of our community.**

We employ almost 1,400 people to deliver a diverse range of services and we appreciate our people, and their commitment, experience and capability. It is their drive that underpins our success, and we want to ensure they are equipped to effectively perform at their best in an ever-changing landscape.

Our *Workforce Development Strategic Plan (WDSP) 2022–2026* forecasts how we will meet the workforce resourcing and capability requirements of our four-year delivery program, *Delivering Newcastle 2040*. The plan describes our current workforce and considers the impact of our environmental context, workforce trends and future demands. Furthermore, it outlines a range of strategic focus areas that will ensure we have the right people with the right skills to deliver on the outcomes identified in *Delivering Newcastle 2040*.

This plan has been developed in consultation with our people, including leaders and specialists from across the organisation, through a series of surveys, interviews, presentations and workshops. Additionally, our current workforce data and metrics were compiled and analysed to identify trends, gaps, challenges and projected future needs to inform the development of our workforce strategies.

Key challenges and influences for the development of our workforce include: changes in workforce availability; increasing competition; future world of work requirements, including offering tailored experiences to attract and retain quality people; fostering an inclusive workplace culture across the organisation; building relevant future skills and career pathways; embracing emerging technology to enable data-informed decisions; developing internal leadership capability; and attracting a cross-section of employees with diverse lived experiences, including younger workers.

Community expectations combined with record levels of residential development and infrastructure projects will also place pressure on our workforce to deliver more with our existing resources.

Over the next four years, CN will continue to build capability as a thriving, people-centric organisation, working to deliver improved service levels sustainably and within approved budgetary and resource allocations.

The strategic focus areas outlined in this document will have a significant impact on the way we deliver our services to the community, highlighting the importance of strategic workforce planning and engagement.

The key priorities of our WDSP are to:

1. Strengthen our workplace culture
2. Invest in our people to grow and excel
3. Build the CN employer brand
4. Be future ready.

Progress against this plan will be regularly monitored and reported through our annual reporting process.

**Our *Workforce Development Strategic Plan (WDSP) 2022–2026* forecasts how we will meet the workforce resourcing and capability requirements of our four-year delivery program, *Delivering Newcastle 2040***



# Our Approach to Workforce Development and Planning

Our WDSP is a key element and guiding document within the overarching *Integrated Planning & Reporting Framework*.

Workforce development and planning enables CN to achieve our vision, goals and community outcomes through our most valuable resource: our people. It defines how we will prepare to meet the changing demands of our community and the emerging challenges faced by our workforce.



Our WDSP has been developed in consultation with our workforce, our leaders and specialists within our organisation. This plan will drive the actions required to ensure our workforce has the right mix of capabilities and the diversity of thought and experiences to meet the needs of our community as outlined in *Newcastle 2040*, now and into the future.

The six steps of effective workforce planning, used to develop this plan and achieve its outcomes, are as follows:

1. Analysing our current workforce
2. Considering future needs
3. Identifying gaps and challenges
4. Developing strategies
5. Implementing actions to address identified gaps
6. Monitoring and evaluating success of strategies.

## Benefits of effective workforce planning

Align workforce with business strategy

Predict future workforce needs

Identify and address capability gaps

Identify more effective and efficient application of people at work

Understand opportunities and challenges in attracting and retaining top performers

Anticipate and plan for change.

The workforce strategies identified in this document will be periodically assessed to ascertain their impact on and relevance to our evolving community needs and expectations, as well as the changing external environment, including workforce and labour market impacts.

# Our Compass

# NEWCASTLE 2040

it's our *future*

## Our Vision

*Newcastle is a liveable, sustainable, inclusive global city.*

*These themes work together in harmony to deliver our vision for Newcastle as a place for everyone.*



## Our Values

CN has adopted a set of values to guide organisational behaviour:

# CREW

### Cooperation

We work together as an organisation, helping and supporting each other



### Respect

We respect diverse views and opinions and act with integrity



### Excellence

We strive for quality and improvement in everything we do



### Wellbeing

We develop a safe and supportive environment



# Our Direction

The WDSP has been developed alongside the *Long-Term Financial Plan (LTFP)* and the *Asset Management Strategy* to ensure we have the necessary resources to deliver the community goals set out in the *Community Strategic Plan* and the actions articulated in the *Delivery Program* and *Operational Plan*. The WDSP also directly links with objectives and strategies within *Newcastle 2040* to create alignment between the services provided to our community and the development of our workforce.

## Our commitments



# NEWCASTLE 2040

it's our *future*

Newcastle is a liveable, sustainable, inclusive global city



### 1. Liveable

- 1.1 Enriched neighbourhoods and places**
  - 1.1.1 Great spaces
  - 1.1.2 Well-designed places
  - 1.1.3 Protected heritage places
- 1.2 Connected and fair communities**
  - 1.2.1 Connected communities
  - 1.2.2 Inclusive communities
  - 1.2.3 Equitable communities
  - 1.2.4 Healthy communities
- 1.3 Safe, active and linked movement across the city**
  - 1.3.1 Connected cycleways and walking networks
  - 1.3.2 Road networks
  - 1.3.3 Managed parking
  - 1.3.4 Effective public transport
- 1.4 Innovative and connected city**
  - 1.4.1 Emerging technologies
  - 1.4.2 Digital inclusion and social innovation



### 2. Sustainable

- 2.1 Action on climate change**
  - 2.1.1 Towards net zero emissions
  - 2.1.2 Know and share our climate risk
  - 2.1.3 Resilient urban and natural areas
- 2.2 Nature-based solutions**
  - 2.2.1 Regenerate natural systems
  - 2.2.2 Expand the urban forest
  - 2.2.3 Achieve a water sensitive city
- 2.3 Circular economy**
  - 2.3.1 Design out waste
  - 2.3.2 Localised supply chain and sustainable procurement



### 3. Creative

- 3.1 Vibrant and creative city**
  - 3.1.1 Vibrant events
  - 3.1.2 Bold and challenging programs
  - 3.1.3 Tourism and visitor economy
  - 3.1.4 Vibrant night-time economy
- 3.2 Opportunities in jobs, learning and innovation**
  - 3.2.1 Inclusive opportunities
  - 3.2.2 Skilled people and businesses
  - 3.2.3 Innovative people and businesses
- 3.3 Celebrating culture**
  - 3.3.1 Nurture cultural and creative practitioners
  - 3.3.2 Promote Newcastle as a major arts and cultural destination
  - 3.3.3 Culture in everyday life
- 3.4 City-shaping partnerships**
  - 3.4.1 Optimise city opportunities
  - 3.4.2 Advocacy and partnership



### 4. Achieving Together

- 4.1 Inclusive and integrated planning**
  - 4.1.1 Financial sustainability
  - 4.1.2 Integrated planning and reporting
  - 4.1.3 Aligned and engaged workforce
- 4.2 Trust and transparency**
  - 4.2.1 Genuine engagement
  - 4.2.2 Shared information and celebration of success
  - 4.2.3 Trusted customer experience
- 4.3 Collaborative and innovative approach**
  - 4.3.1 Collaborative organisation
  - 4.3.2 Innovation and continuous improvement
  - 4.3.3 Data-driven decision-making and insights



Strategic Objectives in the CSP –Newcastle 2040 →	Strategies to achieve objectives →	Workforce Development Strategic Plan ✓
 <p><b>Creative</b></p> <p>We are excited about the city's opportunities in the areas of jobs, education and the economy</p>	 <p>3.2 Opportunities in jobs, learning and innovation</p> <p>3.2.2 Skilled people and businesses</p>	<ul style="list-style-type: none"> <li>• Continue to invest in our people to grow and excel</li> <li>• Build a strong CN brand to attract and retain high-calibre talent from diverse backgrounds and create job opportunities within the local community</li> <li>• Identify and grow critical skills and core capabilities through diverse attraction strategies and skilling to meet future demands</li> <li>• Carry out formal succession planning activities to safeguard critical roles and meet long-term workforce needs</li> </ul>
 <p><b>Achieving Together</b></p> <p>Our people come together to collaborate, share great ideas and opportunities, and co-create positive change for our organisation and city</p>	 <p>4.1 Inclusive and integrated planning</p> <p>4.1.1 Financial sustainability</p> <p>4.1.2 Integrated planning and reporting</p> <p>4.1.3 Aligned and engaged workforce</p>	<ul style="list-style-type: none"> <li>• Ensure workforce strategies are reviewed and planned in accordance with LTFP goals for sustainability</li> <li>• Provide current and future workforce information to better inform decision-making and workforce strategies and to structure CN effectively</li> <li>• Identify workforce gaps and develop priorities to address and close them</li> </ul>
	 <p>4.3 Collaborative and innovative approach</p> <p>4.3.1 Collaborative organisation</p>	<ul style="list-style-type: none"> <li>• Strengthen workplace culture to ensure wellbeing, inclusivity and equitable participation with opportunities for everyone, and proactively build leadership capability for the future</li> </ul>



# Our Workforce Profile

## Our City, Our People

Newcastle is a liveable, sustainable, inclusive global city. These themes work together in harmony to deliver our vision for Newcastle as a place for everyone.

Newcastle is the economic hub of the Hunter region, with an international profile as a major port city and a gateway to the world for the Hunter's rich resources.

The Awabakal and Worimi peoples are acknowledged as the traditional land custodians of the land and waters of Newcastle. We pay our respects to elders past, present and emerging.

We are home to artists, galleries, museums, theatres, creative enterprises, arts organisations, cultural education providers, cultural collections, and a community that embraces cultural expression. We have a diverse natural environment, from coastal headlands and beaches to wetlands, mangrove forests, steep ridges and rainforest gullies.



## Our Population

Newcastle population 2021

**171,307**

Population by 2041

**199,700**

Greater Newcastle population 2021

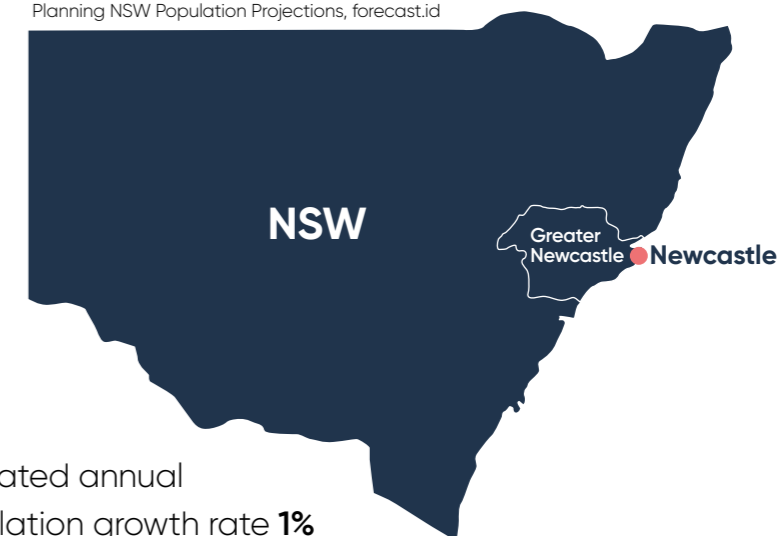
**608,700**

Population by 2041

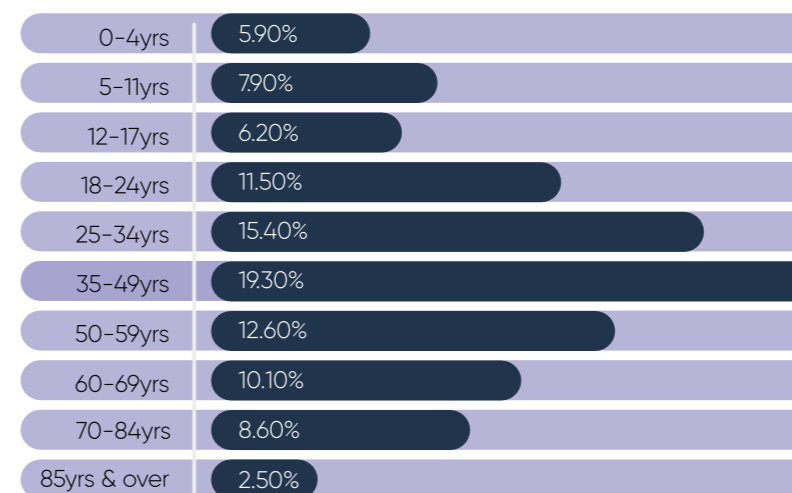
**699,200**

Estimated annual population growth rate **1%**

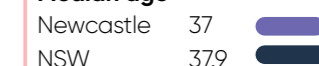
Planning NSW Population Projections, forecast.id



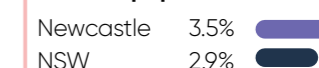
### People



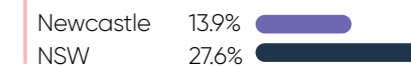
### Median age



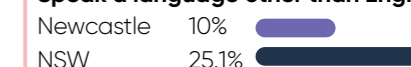
### Aboriginal and Torres Strait Islander population



### Born overseas

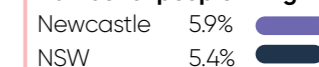


### Speak a language other than English



134 different languages spoken at home – most widely spoken included Mandarin, Macedonian, Italian, Greek and Arabic. Languages spoken with greatest need for translation included Arabic, Mandarin, Swahili, Persian/Dari and Tibetan.

### Number of people living with disability



Defined as people needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication, because of a disability or long-term health condition.



### Homeless categories

- 'severely' crowded dwellings
- temporarily with other households
- improvised dwellings, tents, or sleeping out
- boarding houses
- supported accommodation for the homeless
- other temporary lodgings

Overall, 13% of households are experiencing 'housing stress' – 31% of renters and 7.3% of mortgage holders (2016).

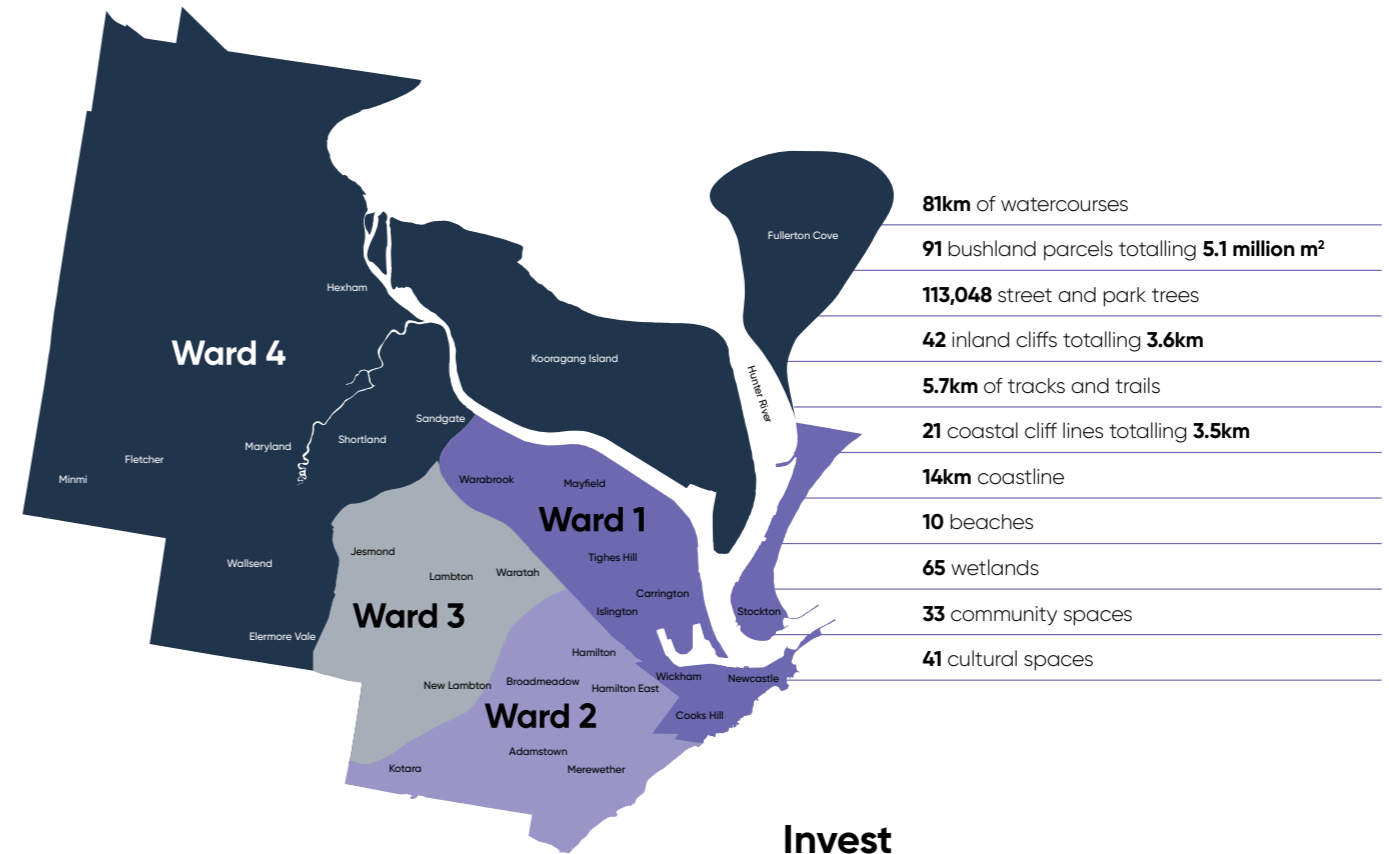
**20,000** people



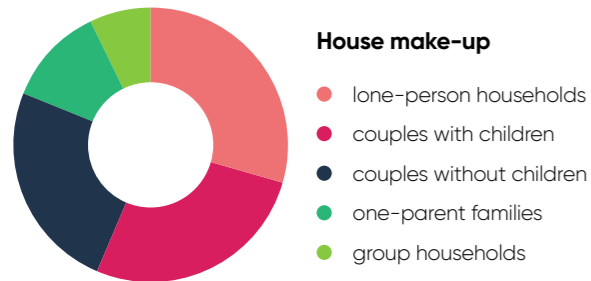
**Up to 11% of Australians may have a diverse sexual orientation, sex, or gender identity. In Newcastle this equates to approximately 20,000 people.**

Source: Australian Human Rights Commission: Face the Facts (2014)

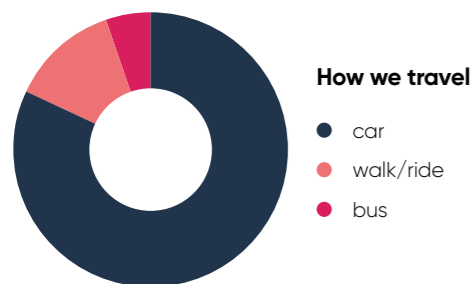
# How Newcastle lives, works, plays and invests



## Live

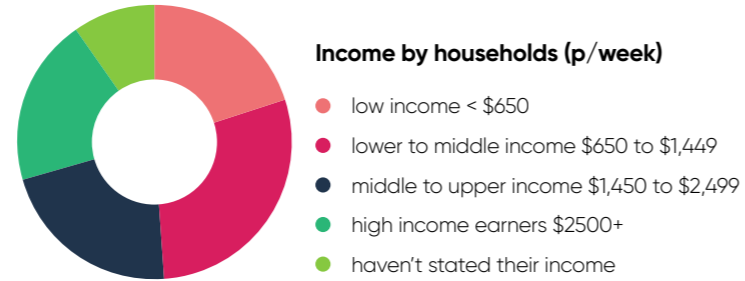


- 52 suburbs
- 2.36 people average household size
- 80.85% internet access at home
- 30% of dwellings are medium or high density
- 29% of residents fully own their home; 30.3% have a mortgage; 34.5% are renting
- 40.5% recycling rate
- 9.4kg waste and recycling generated per person per week



- 1 ferry – Queens Wharf to Stockton
- 2.7km light rail, with 6 stations
- 127 transport shelters
- 850km of roads

## Work



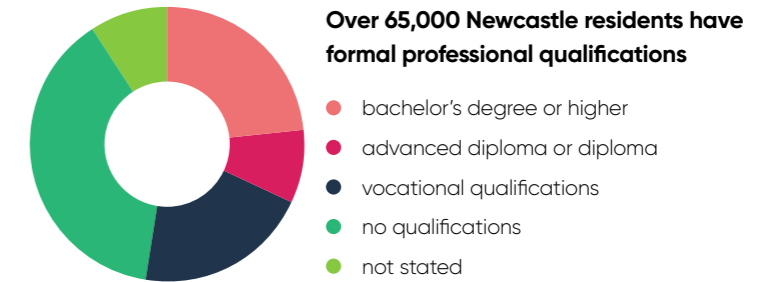
- Top 3 industry sectors by employment**
- Healthcare and social assistance – creating 20,293 jobs
  - Education and training – creating 9,789 jobs
  - Retail trade – creating 8,803 jobs
- 102,800 jobs in Newcastle**
- 49% live within LGA
  - \$1,398 (p/week) average household income
  - 5.3% unemployment rate
  - 73.3% journey to work by car
- 36,331 businesses**
- 30% of the Hunter's developed industrial space
  - 80% of the Hunter's office space

## Play



- 2 ocean baths
- 5 aquatic centres
- 6 main patrolled beaches
- 8 lifeguard facilities
- 17 dog off-leash areas
- 4 outdoor exercise facilities
- 14 community gardens
- 14 libraries (including 3 privately owned)
- 6 surf clubs
- 250 recreation parks
- 972km pathways
- 147 sporting grounds
- 63 sports venues
- 15 grandstands
- 13 BMX/skate parks
- 134 playgrounds (that contain either a playground or exercise equipment)

## Invest



- 1 airport
- 1 holiday park
- 41 cultural institutions
- 1 waste and resource recovery centre
- 125 early education and childcare centres
- 62 primary and secondary education facilities
- \$1.15 billion value of building approvals (2019/20)
- \$18.4 billion Newcastle's Gross Regional Product
- 4.63 million annual visitors (2019)
- \$2 billion value of city-owned assets
- \$46 million received in grants and subsidies (2020/21)
- 11 tertiary education facilities
- First in family degree: 11,387 students or 48% of Newcastle-based registrations in 2021
- Indigenous enrolments: 1080 students or 4.5% of Newcastle-based registrations in 2021
- Investment into innovation: approx. \$50 million in 2020
- Largest regional innovation ecosystem in Australia with 180 elements

## Our Organisation Structure



**Chief Executive Officer**  
Jeremy Bath

<b>City Wide Services</b>	<b>Information Technology</b>	<b>Governance</b>	<b>Infrastructure and Property</b>	<b>People and Culture</b>	<b>Strategy and Engagement</b>
					
<b>Alissa Jones</b>	<b>Ken Liddell (interim)</b>	<b>David Clarke</b>	<b>Joanne Rigby (interim)</b>	<b>Fiona Leatham</b>	<b>Kathleen Hyland (interim)</b>
<b>Art Gallery</b>	<b>Information Technology</b>	<b>Finance</b>	<b>Depot Operations</b>	<b>Safety and Wellbeing</b>	<b>Major Events and Corporate Affairs</b>
<b>Museum</b>		<b>Legal</b>	<b>Assets and Projects</b>	<b>Workforce Development</b>	<b>Community, Strategy and Innovation</b>
<b>Civic Services</b>		<b>Regulatory, Planning and Assessment</b>	<b>Civil Construction and Maintenance</b>	<b>Strategic Partnering</b>	<b>Customer Experience</b>
<b>Libraries and Learning</b>		<b>Transport and Compliance</b>	<b>Property and Facilities</b>		
<b>Waste Services</b>					
<b>Parks and Recreation</b>					

## Our Workforce

**CN's workforce is large, encompassing a wide range of occupations and expertise.**

Our employees work across a range of governance, delivery, external-facing and internal enabling services, including planning, construction, waste facilities, libraries and learning, culture and arts, heritage and recreation facilities, finance, legal, communications and marketing, as well as administration and support offices.

Our workforce headcount comprises 1,394 employees, with the majority being permanent staff (full-time and part-time). Approximately one quarter of our workforce is employed on a casual, temporary or fixed-term basis or participating in tertiary/vocational education programs. Our number of approved Full-Time Equivalent (FTE) positions is 957.

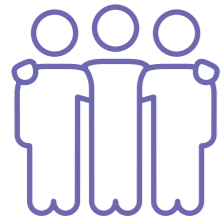
Australia is experiencing a rapidly ageing population, and this is even more distinct within the local government sector workforce. Data from the 2016 Australian Bureau of Statistics Census shows that the age structure for older workers and pre-retirees aged between 50–59 years is 13.8% in regional NSW. For CN in particular, the percentage of our workforce approaching retirement age (55+ years) peaked at 39% in 2017 and reduced to 24% in 2021. This reduction has been due to targeted attraction

and retention strategies to diversify our workforce. However, the ageing workforce will continue to present challenges for CN. With over 450 individual workers being eligible for or contemplating retirement in the coming four years, we will need to carry out active succession planning and ensure adequate skill levels and knowledge are retained.

Our employee base is supplemented by contract employees and external labour hire, which fluctuates in accordance with short-term work-based demand. This approach allows flexibility to meet periods of peak demand while protecting ongoing job security for our employees. Over-reliance on this type of labour can present challenges, and ongoing viability and utilisation is reviewed regularly.

Complementing our employee and contingent labour hire base is our strong volunteer network, consisting of over 300 people working across a range of locations and undertaking a variety of services on behalf of our broader community. Our volunteers primarily assist at the Museum, Civic Playhouse, Art Gallery, Libraries, Blackbutt Reserve and multiple Landcare locations.

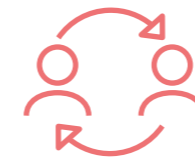
# Our workplace profile



**1,394 employees**  
**300+ volunteers**



Average length of service  
**11 years**



Average vacancy rate  
**12.5%**



Movements across all employment types in 2020/21

Welcomed  
**279 new starters**

Farewelled  
**248 employees**

	*Full time employed per 1000 residents	*Gender	Leadership team	Turnover	*Employee costs % operating expenses
City of Newcastle	<b>6.5</b>	60% male 40% female	48% male 52% female	<b>12.9%</b>	<b>33%</b>
Surveyed NSW Councils	<b>9.5</b>	56% male 44% female	62% male 38% female	<b>13.5%</b>	<b>36%</b>



**304 volunteers**  
**7,737 hours**



Bush Care  
**3,350 hours**



Museum  
**410 hours**



General  
**400 hours**



Art Gallery  
**699 hours**



Landcare  
**1,975 hours**



NewCREW  
**189 hours**



Playhouse  
**212 hours**



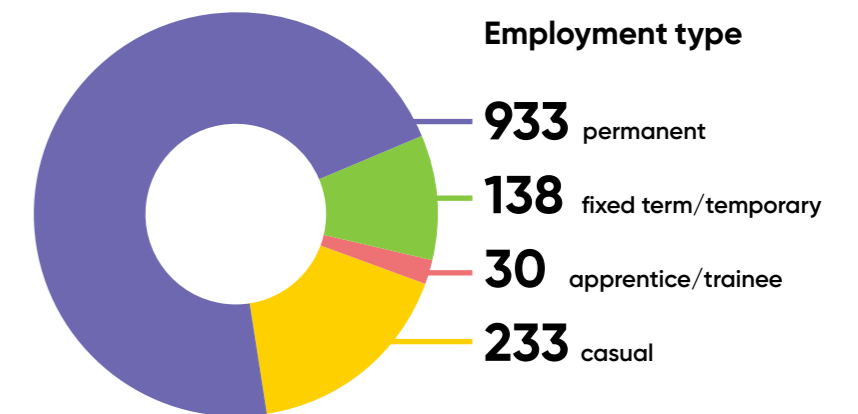
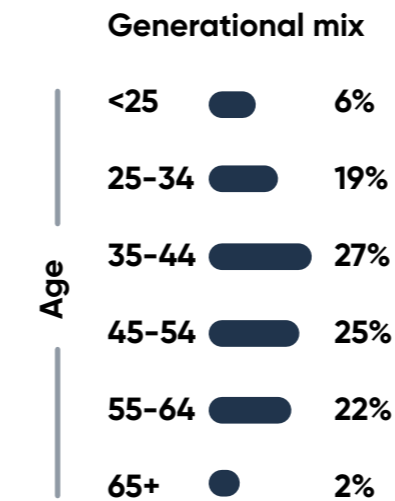
Libraries  
**502 hours**



Median age  
CN  
**44 years**  
Newcastle LGA  
**37 years**



Identify as Aboriginal & Torres Strait Islander  
CN  
**3%**  
Newcastle LGA  
**3.5%**





# Our Workforce Management Plan 2018–2022 in Review

## Review of Workforce Management Plan 2018–2022

Throughout the term of CN's 2018–2022 *Workforce Management Plan (WMP)*, similar to many other businesses within our region, we needed to alter our approach in order to focus on supporting our people and community through the disruption caused by COVID-19.

While this disruption affected the progression of several of our strategies (which will be carried forward into the 2022–2026 WMP), we did progress our vision to transform into a smart, people-centric organisation and improve service levels in a sustainable way.

## Key achievements

We are pleased to have been able to complete the following key achievements.

### Strategy 1: Attract and retain a high-quality, committed workforce

Our Undergraduate, Apprentice, Trainee and Graduate Program continued to provide a pathway for individuals to commence their career, learn new skills and transition to permanent employment with CN. The program was expanded to introduce an Intern Program, providing opportunity for students to apply their studies in a practical workplace setting.

Six Aboriginal apprentices and three Aboriginal trainees were recruited during the 2018–2022 workforce plan cycle, exceeding the *Aboriginal Employment Strategy* recommendation of two Aboriginal apprentices or trainees per year.

Life and Jobs pages were established on CN's LinkedIn profile to increase our brand exposure, connect with people looking for opportunities and build relationships with top talent to remain competitive in high-demand sectors.

The 'Always On' campaign was developed to move our approach from a passive model to an active one, building a strong talent pipeline that allows candidates to express an interest in joining CN at any time.

Flexible work practices were introduced as part of the CN Enterprise Agreement 2019. The majority of our workforce takes advantage of these practices by choosing to work a nine-day fortnight or flex time roster.

Position descriptions were redesigned in 2020 to improve the candidate and employee experience by providing clarity on position purpose, what employees will be doing in the role, the qualifications required and how we will encourage employees along the way.

### Strategy 2: Invest in the capabilities of our people

An annual Performance Development Plan process was successfully implemented in 2019 and in FY20/21, 88% of our workforce completed a plan. Career paths and development needs are identified during these discussions.

The My Tech program was introduced to build foundational skills for using technology in the workplace. Over 80 employees have successfully completed the program and increased their technological confidence and ability.

Technology 'Lunch and Learn' sessions have been introduced to build the digital capability of our workforce when new programs are launched within the business.

More than 60 new and emerging leaders participated in our BluePrint leadership program, which enables participants to complete six units of competence from the Certificate IV in Leadership and Management.

As part of the BluePrint program, each participant had the opportunity to select a mentor to help them with their studies and their journey into leadership.

In 2020, our *Health and Wellbeing Strategy 2020–2025* was launched to promote, enable and support three key pillars: physical wellbeing, mental wellbeing, and social and financial wellbeing. The strategy focuses on the ABCs of wellbeing: Acting well, Being well and Connecting well.

The Spark Speaker Series was launched as part of the *Health and Wellbeing Strategy*, with experts and speakers invited to educate employees on financial wellbeing, mental health and resilience.

Our COVID-19 response involved an uplift in leader-driven practices to address the psychosocial challenges of the pandemic and alter working environments with a strong people-first focus.

We continued to build leadership capability through the Human Synergistics Life Styles Inventory tool, with expansion to the Service Unit Manager cohort and a Group Styles Inventory activity with the Executive Leadership Team.

Our Senior Management Performance Framework Project was undertaken to develop leadership capability through an integrated performance management system, taking a dedicated approach to performance management at a leadership level.

### Strategy 3: Facilitate a culture of Cooperation, Respect, Excellence and Wellbeing (CREW)

To enrich our culture and how we conduct our business, employees across our organisation built our Ways of Working, which were introduced in 2019 as an impressive and forward-thinking set of etiquettes to anchor and guide us in our workplace.

To recognise employee behaviours aligned with our CREW values and Blue Bus behaviours, the Blue Bus Shoutout App was developed and implemented in 2021. This app provides opportunities for leaders to recognise employees and for peers to recognise peers.

As part of our employee listening strategy, we conduct an annual engagement survey. From the insights gained from the survey, we collaborate with employees to form action plans to improve areas impacting engagement, productivity and inclusivity.

Our engagement score rose from 6.9 to 7.0 during a challenging COVID environment.

We recognise that some of the challenges identified during the formulation of this plan will be ongoing, requiring us to maintain progress on some activities, develop new activities, and pivot on existing projects to ensure our workforce remains capable, productive and engaged.

### Strategy 4: Plan for our future workforce needs

As part of our service delivery plans, business continuity plans and budget process, leaders throughout the business monitor their FTE requirements and determine critical roles.

We have introduced monthly reporting on workforce metrics including vacancies and positions, giving leaders the ability to address vacancy rates and proactively manage positions.

Improvements to workforce information and datasets have increased accuracy of reporting to assist with making informed decisions and analysing trends.



# Looking Ahead: Challenges and Opportunities

The environmental context of work is changing and evolving due to advances in technology, new and emerging skill groups, world of work expectations post-COVID, and a global focus on fostering equity and building diverse, inclusive workplaces. Organisations that will survive and thrive in the coming years will do so by creating tailored employee experiences and embedding offerings into their DNA that have previously been considered additional benefits.

## Turning 'The Great Resignation' into 'The Great Retention' through Workplace Culture

Over the past two years, people have experienced unprecedented times in relation to work, home and health. Increasingly, organisations have had to reinvent their service delivery and the ways they engage and lead their people in order to remain afloat, let alone competitive. At the same time, employees have faced their own personal challenges in terms of lockdowns, achieving work/life balance and re-evaluating what is important. In early 2021, MIT Sloan research indicated that 40% of employees had a strong 'intention to leave' their existing organisations, and over the course of the year, attrition rates in the US and Australia have seen this intention convert into action, with turnover in some organisations climbing to extraordinary levels – dubbed 'The Great Resignation'.

Coming out of the global pandemic, this trend is continuing and is predicted to peak in Australian organisations in 2022. While resignation levels are increasing and consistently higher than average across industries and work groups (particularly in the first 12 months of tenure), there is notable variation between organisations, even within the same industry. A key differentiator between whether employees are choosing to stay or leave is the health and stability of the organisation's workplace culture. Studies are showing that organisations who have demonstrated agility and empathy in their COVID response strategies and are actively embedding the learnings of the past two years into building thriving, inclusive cultures are more successfully retaining their talent, with higher levels of engagement and a positive brand in the market. Additional predictors of employees choosing to stay in their current workplace include a commitment to employee experience, investment in growth and wellbeing, and strong leadership congruence.

While local government in Australia generally has strong levels of retention and CN's turnover rate is below industry average, there are signs of increase in recent months. This is particularly relevant for employees with fewer than 12 months of tenure. The challenge of attracting and retaining a talented workforce and providing an attractive employment offering will continue as the power differential shifts to an employees' market. It will be important for CN to translate its current low turnover rate into an advantage and an opportunity to build a highly skilled workforce; develop its attractiveness and brand as an employer; and create targeted strategies to grow internal talent for succession, reskilling and broader roles, while embedding knowledge transfer and building leadership capability. CN's people-first principle presents a strong opportunity to further improve internal systems through the continuation of our *Renewal Plan* and *Customer and People Experience Strategies*.

## Flexibility within a Framework

To embed flexibility within a framework is vital to maintain momentum post-COVID. The move to flexible working, particularly remote working, was accelerated for a large percentage of the CN (and global) workforce during 2020 and 2021. This has impacted the ongoing expectations of leaders and employees and elevated the importance of flexibility. The enforced working-from-home Public Health Orders have encouraged our people to embrace technology that facilitates remote productivity, including the rapid adoption of Microsoft Teams and Zoom. Similarly, they have provided an opportunity for leaders to develop increased comfort with remote working arrangements and to determine which roles are best suited to such arrangements on an ongoing basis.

Based on responses from a COVID-19 staff survey during 2020, 85% of staff reported neutral to improved productivity outcomes due to working from home. The results reported by managers for their teams were on par at 84%. Around 70% of our people indicated that they would like to continue working remotely on a part- or full-time basis after the pandemic.

A survey of the largest Australian employers reveals that the overwhelming majority will continue allowing employees to work remotely at least part of the week following the COVID-19 pandemic<sup>1</sup>. Of the 48 companies surveyed, 42 confirmed the permanent adoption of a hybrid model, with just six requiring many staff to remain onsite due to operational reasons. Technology giant Atlassian is going as far as to say that employees can work from anywhere with an internet connection and will only be required to travel to their nearest office four times per year.

Facilitating remote working on an ongoing basis may position CN as a more attractive employer, especially for people with diverse lived experiences. However, the rise of remote working in other large organisations means that there may also be increased competition for local talent. Larger organisations that traditionally would have required talent to be located within a capital city are now offering remote employment opportunities to people located anywhere in the country and, in some cases, the world.

## Technology and Digital Literacy

One of the biggest areas of change is the continued adoption and introduction of new technologies across our workforce and workplaces.

Some of the key impacts for CN include:

- Increasing demand for digital content (Major Events & Corporate Affairs, Libraries, Museum, Art Gallery, Civic Theatre, Customer Experience)
- Enterprise Resource Planning software into the cloud
- Works and assets module implementation
- Optimisation of current human resources information system (HRIS)
- HRIS renewal improving workflows and processes through additional modules

- ePlanning portal
- Electric vehicles
- Cyber security.

Other potential technological introductions that may become available and impact our workforce during the term of this plan include:

- Online rates
- Parking apps/licence plate recognition
- Asset inspection software
- Geographic Information Systems (GIS) for digital cities.

Some research estimates that by 2034, up to 21% of the Australian workforce will be displaced and an additional 15% of roles significantly changed by automation. However, new technologies are likely to create just as many jobs as they replace. While menial and routine tasks may be automated in the future, in most cases these will be replaced with more interesting, higher-value-added tasks. Upskilling and reskilling will prove crucial to supporting our workforce to adapt to these changing job requirements. The adoption and implementation of technology will lead to a significant increase in the number of technology positions across the world, with digital literacy becoming a foundational skill across workplaces.

Advances in technology are continuing to make the world more connected, expanding our access to skilled workers from across the globe<sup>2</sup>.

## Emerging Skills and Capabilities

Across the country, creativity and entrepreneurial skills are becoming increasingly sought after. Similarly, other soft skills such as social and emotional intelligence, critical thinking and analysis, and design mindsets are all expected to be in demand in the future<sup>3</sup>.

A 2021 National Skills Commission report identified several occupations in national shortage with strong future demand<sup>4</sup>. Several of these are relevant for CN, including:

- ICT project managers/security specialists/software engineers/development programmers/multimedia specialists
- Project managers
- Accountants (general, management, taxation,

- external/internal audit)
- Surveyors/urban and regional planners
- Engineers (geotechnical, structural, transport, electrical, mechanical)
- Electricians
- Arborists/landscape gardeners/horticultural mobile plant operators
- Welders/metal fabricators/sheetmetal workers.

To avoid shortages or significant delays in filling positions in the future, CN will be required to develop clear talent pipelines and employee development plans to attract, build and retain employees in these areas.

A major national shift in terms of new job growth is the shift from hands (manual and repetitive tasks) to heads (creative, thought-based, cognitive tasks) xii. Manual repetitive tasks (often outdoor- and administrative-dominated) are more susceptible to automation. The emerging category of creative and interpersonal jobs will be the most difficult to mechanise. The impact of these changes is already being felt with the rise in demand for soft skills such as conflict resolution, customer service and innovative thinking, catching employers by surprise as demand continues to outstrip supply in these areas.

Additionally, the Industry Reference Committee 2019–2022 Skills Forecast and Proposed Schedule of Work reinforces the increasing benefit of developing

traditional soft skills as top priority skills and top generic skills into the future. Unsurprisingly, teamwork skills are also identified in a 2021 Hays report as critical for post-COVID success.

Through focus group feedback and analysis of our existing workforce and future strategy, emerging skill gaps have been identified across the business. CN will be required to actively develop workforce strategies in the following areas to reduce skill gaps, be future ready, and successfully deliver on commitments within Delivering Newcastle 2040:

- Environmental planning
- Organics and alternative fuels
- Commercial and investment
- Data analytics and insights (Finance, Civic Services, Community, Strategy & Innovation, Waste Services, People & Culture)
- Digitisation (including social media/website content creation)
- Upskilling and creating talent pipelines in areas where it is currently difficult to attract suitably qualified and experienced candidates (Regulatory Planning & Assessment, Assets & Projects, Information Technology)
- Customer experience focus
- Increased professionalisation with automation and outsourcing of more basic functions (e.g. Libraries, Civil Construction & Maintenance, People

& Culture Business Partners, Customer Experience, Records)

- Project/contract management within CMC
- Electric vehicle servicing
- Support from across the business for Undergraduate, Trainee, Apprentice and Graduate Program and internships

In addition to emerging skills gaps, several initiatives currently underway will also require careful resource planning and allocation to provide revised or improved service delivery to our community:

- Art Gallery
- Aquatics
- Fleet transition
- Program and project management
- Increased maintenance and capital works programs

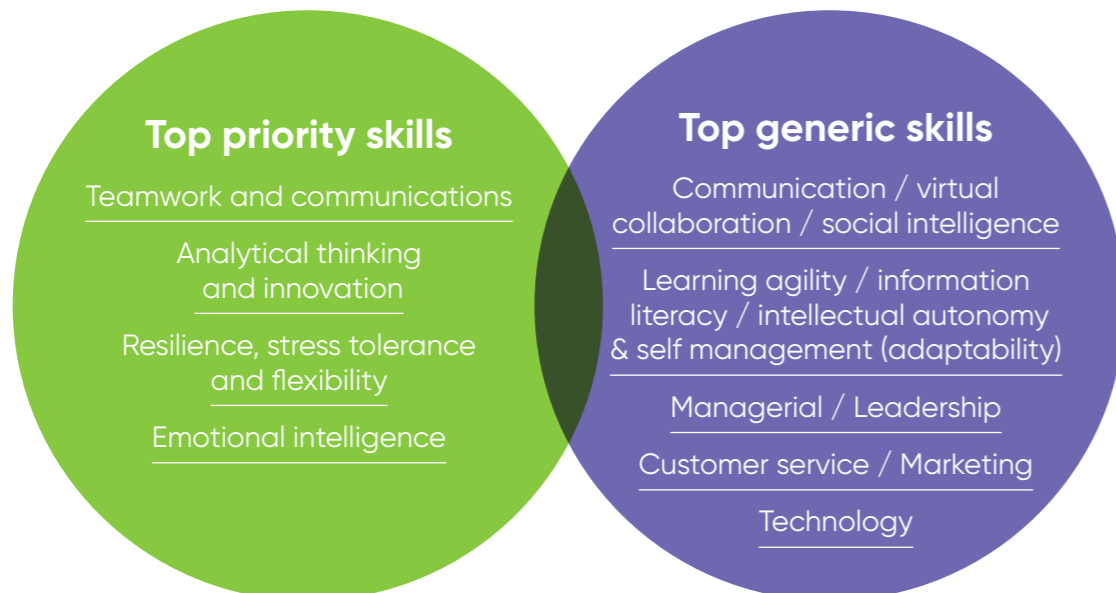
population growth and diversification of services expected by our community.

Economists predict wage growth in Australia will track at 2.7% and the unemployment rate will drop to 3.4%, resulting in a reduced number of potential candidates. With an ambitious delivery plan and a volatile external environment, the challenge over the next four years is to manage positions, numbers and wage growth while maintaining market competitiveness and financial prudence.

Financial sustainability will require responsible and ethical decision-making from our leaders and our people, alignment of our workforce plan with our LTFP, and consideration of the external factors impacting our workforce. Automation or reduction in some services will be required to enable the introduction of new services and prioritisation of the program of work expected by our community. Mitigation of the number of established roles that sit vacant for periods of time, as well as reallocation of established roles based on deliverables, will also be required. Workforce data and analysis will be integral to making decisions on where roles need to shift in adapting to workforce trends.

### Financial Sustainability

Our workforce ratio has remained steady at approximately 6.5 per 1,000 residents (in comparison to an industry average of 9.5 per 1,000 residents). This has required diligent monitoring and placement of our people during a period where we have seen a significant increase in capital works, increased



Priority skills source: Local Government IRC Skills Forecast and Proposed Schedule of Work 2019.



# Our Workforce Development Strategic Plan 2022–2026

Our WDSP outlines our strategic workforce priorities and actions for the next four years (2022–2026) and aims to ensure our people can deliver the commitments and priorities detailed in *Newcastle 2040*.

CN employs a diverse group of talented people with varying skills and expertise who operate in a complex environment, delivering many different services and projects for our community. To be successful, our future workforce will need to embrace flexibility and be willing to change and evolve through upskilling and reskilling activities as our workforce needs and community expectations change.

We want to ensure our people have the capabilities and attributes required to effectively contribute to

the delivery of Newcastle 2040 for our community. We want to empower our people to have the courage to do things differently, perform at their best and challenge the status quo so that we continually improve our processes, systems and services.

Our WDSP is developed alongside our LTFP and *Asset Management Plan*. It has been developed in consultation with leaders and specialists throughout the organisation through a series of surveys, interviews, presentations and workshops. Progress against this strategy will be regularly monitored under our workforce priorities and measures.

## Workforce Priorities and Measures





Priority 1

# Strengthen our workplace culture

Facilitate a culture that amplifies our people's strengths, capabilities and diverse attributes to deliver our community's aspirations.

Goal	Why	Action	Lead	22/23	23/24	24/25	25/26
<b>1.1 Develop a Culture Strategy</b>	To create a purposeful, empathetic, inclusive, high-performance culture that guides our decision-making and expresses how we want to achieve our goals	Communicate the Culture Strategy	People & Culture	✓	✓		
<b>1.2 Expand employee listening mechanisms to turn insights into actions and improve workforce engagement and job satisfaction</b>	Gathering employee feedback more often from multiple avenues enables a real-time response to employee engagement and satisfaction, enabling us to adapt and grow continuously	Conduct Engagement Survey	People & Culture	✓	✓	✓	✓
		Expand listening activities across employee life cycle – onboarding and exit	People & Culture		✓	✓	
		Overlay workforce operational and experience data to create targeted actions	All			✓	✓
<b>1.3 Drive the adoption of healthy behaviours and embed a safety and whole-person wellbeing mindset in our people</b>	A safe and healthy workplace leads to enhanced quality of life as well as improved work performance and productivity	Design and implement a health monitoring program	People & Culture	✓	✓		
		Conduct a psychosocial safety risk survey to better understand the hazards and factors affecting the workplace environment and determine an appropriate action plan	People & Culture	✓			
<b>1.4 Develop an Inclusion, Diversity and Equity Strategy</b>	It is important for our workforce to reflect the diversity of lived experiences that exists in our community. We aim to provide a safe place for people to bring their whole selves to work and use their strengths and unique attributes to contribute to our success	Communicate the Inclusion, Diversity and Equity Strategy, including foundational actions for our people	People & Culture	✓	✓		
<b>1.5 Increase diversity and inclusion awareness</b>		Increase visibility of inclusion, diversity and equity across the organisation (e.g. through storytelling of people with diverse lived experiences, regular communication through internal and external channels, tailored resources and training)	People & Culture Major Events & Corporate Affairs		✓		

Focus Area Outcome	Performance Measurement	Source	Baseline	Target
<b>Build a high-performing, healthy and diverse culture</b>	Increase our workplace engagement result	Engagement Survey results	7%	7.2%
	Pre-employment medicals conducted for high-risk roles in line with Schedule 14 requirements of the Work Health and Safety Regulation 2017	Safety Management System – Figtree	N/A	100%
	Results from scheduled worksite monitoring of airborne contaminants are below Workplace Exposure Standards (WES)	Safety Management System – Figtree	N/A	100%
	Increase Indigenous workforce representation %	HRIS	3%	4%
	Collection of baseline inclusion, diversity and equity data to inform decision-making	HRIS	N/A	70%
	Decrease first-year employee turnover rate	HRIS	14%	12.5%



## Priority 2

# Invest in our people to grow and excel

Develop our people to apply a growth mindset and be curious, creative and open to change.

Goal	Why	Action	Lead	22/23	23/24	24/25	25/26
<b>2.1</b> Develop a Leadership Capability Framework that builds tangible leaders' capability	Leaders are integral to advancing the CN brand and attracting and retaining top performers. In a new era of flexible and remote work, effective, inclusive and empathic leadership is required to achieve results	Develop and implement a Leadership Capability Framework for all leadership levels within the organisation	People & Culture	✓			
<b>2.2</b> Establish a Leadership Academy	To prepare leaders with the capability and confidence to intentionally create a culture of high engagement and job satisfaction, which leads to outstanding customer and people experiences and achievement of strategic goals	Develop a suite of leadership programs aligned to developing the capabilities defined in the Leadership Capability Framework	People & Culture	✓	✓	✓	✓
<b>2.3</b> Develop a Coaching and Mentoring Framework	Coaching and mentoring transforms mindsets, supports people effectively through change and encourages the collective use of individual strengths to achieve goals	Develop and implement a Coaching and Mentoring Framework that encompasses formal and informal coaching moments	People & Culture	✓	✓		
<b>2.4</b> Develop an organisational position matrix and critical skill inventory for core positions	A comprehensive skills inventory clarifies skills needed, identifies skill gaps to address, and provides capability pathways for succession plans, upskilling and reskilling	Identify core positions, create capability profiles and enter data in HRIS	People & Culture Leaders	✓	✓	✓	✓
<b>2.5</b> Performance development	An automated system will deliver efficiency gains through increased access to employee data, improved reporting functionality and enhanced employee experience	Develop an automated system for managers and employees to access, complete and manage centralised reporting of learning and professional development needs	People & Culture	✓	✓	✓	✓

Focus Area Outcome	Performance Measurement	Source	Baseline	Target
Build the capability required to achieve our strategic outcomes	Improve the Growth engagement driver	Engagement Survey	6.1	6.5
	Improve the Career Path engagement sub-driver	Engagement Survey	5.2	6.0
	Increased completion of Performance Development Plans through automation	HRIS	88%	92%



Priority 3

## Build the CN employer brand

Attract and retain high-performing, citizen-centric people with a passion for what they do, who are willing to help us deliver the objectives outlined in Newcastle 2040 to our community.

Goal	Why	Action	Lead	22/23	23/24	24/25	25/26
<b>3.1</b> Build an authentic and creative Employee Value Proposition (EVP)	To support an inclusive work environment to attract, retain and engage diverse talent	Continue to promote CN as an employer of choice through relevant communication channels	People & Culture	✓	✓		
		Adapt current EVP to ensure it remains relevant and is brought to life throughout our employees' day-to-day experience	People & Culture	✓	✓		
		Reshape our EVP when required to authentically align with employee expectations	People & Culture	✓	✓		
		Review reward and recognition program to meet the needs of our people and elevate our EVP	People & Culture	✓	✓		
<b>3.2</b> Design innovative attraction and retention strategies to ensure wider business objectives and market trends are supported	To respond quickly to changing market and business conditions with access to deep pools of internal and external talent	Technology and analytics: understand and predict talent trends and opportunities	People & Culture	✓	✓	✓	✓
		EVP: consistently communicate across the employee and candidate journey	People & Culture	✓	✓	✓	✓
		Internal mobility: identify and develop top talent	People & Culture	✓	✓	✓	✓
		Increase close alignment between customer experience (CX) and employee experience (EX) by embedding CX principles	People & Culture	✓	✓	✓	✓
		Increase workplace diversity through Inclusion, Diversity and Equity Strategy	People & Culture	✓	✓	✓	✓
<b>3.3</b> Shift to a skills-based approach to talent management	To focus on identifying and delivering the right skills and talent to the business at the right time by attracting and retaining high-quality employees, developing their skills and continuously motivating them to improve their performance	Develop a succession plan for critical roles	People & Culture Leaders	✓	✓		
		Build a strong and effective talent pipeline	People & Culture Leaders		✓	✓	
		Build a skills framework that will support targeted recruitment strategies. Recognise emerging new skills and how to integrate these skills into future roles	People & Culture Leaders	✓	✓		
<b>3.4</b> Overcome talent shortage in a competitive job market	To enable intra- and cross-industry collaboration on reskilling and redeployment efforts, as well as a better alignment between learning providers and employers	Collaborate with neighbouring councils and key stakeholders to create talent pools	People & Culture	✓	✓	✓	✓
		Embed LinkedIn talent sourcing	People & Culture	✓	✓		
		Identify reasons for low retention and create strategic responses	People & Culture Leaders	✓	✓	✓	✓
		Develop and embed referral-based program	People & Culture	✓	✓		
		Where fit for purpose, hire for values, train for skills	People & Culture	✓	✓	✓	✓
		Elevate CN's culture profile to market	People & Culture	✓	✓	✓	✓
		Build leader capability in attraction and retention practices for talent	People & Culture Leaders	✓		✓	

Focus Area Outcome	Performance Measurement	Source	Baseline	Target
<b>Build a brand people want to be a part of</b>	Vacancy rate reduction	HRIS	12.5%	10%
	Reduction in time to fill roles	HRIS	8–10 weeks	6–8 weeks
	Reduction in first-year turnover	HRIS	14%	12.5%
	Engagement – Loyalty sub-driver	Engagement Survey	6.4	6.8
	Engagement – Recommend CN as a place to work	Engagement Survey	7.1	7.6
	Establish baseline metrics on candidate experience	HRIS	N/A	Baseline



## Priority 4

# Be future ready

Adapt and stretch to succeed in a different world through reskilling, upskilling, organisational design, change readiness, workforce analysis and data-driven decision-making.

Goal	Why	Action	Lead	22/23	23/24	24/25	25/26
<b>4.1</b> Enable data-driven decisions for people strategies	Utilising and accessing reliable information in a meaningful way will strengthen effective decision-making and strategies in relation to people, operations and experiences	Develop people analytics and reporting through processes, systems and visual dashboards to enable workforce analysis, insights and informed decision-making for effective people strategies	People & Culture	✓	✓		
		Build capability of leaders to interpret information and turn insights into actions	People & Culture	✓	✓		
<b>4.2</b> Upskill the workforce for future requirements	To future-proof our workforce to keep pace with the demands and opportunities presented by local and global expectations and pressures	Collaborate with our people to identify critical skills and capabilities required by our workforce; commence upskilling	People & Culture		✓	✓	✓
<b>4.3</b> Reskill the workforce for future requirements		Identify new positions required to achieve our objectives as well as positions that may phase out with automation or change; determine reskilling opportunities	People & Culture		✓	✓	✓
<b>4.4</b> Build resource planning capability and ensure aligned organisation structure to achieve Newcastle 2040 objectives	To accelerate our responsiveness to community needs and expectations by ensuring our resource planning, organisation structure and workforce profile optimise our efficiency and effectiveness	Design and implement an organisation structure that enables the successful achievement of our strategic objectives and operational delivery plans	People & Culture	✓			
		Build leader capability in resource planning and allocation	All		✓		
		Incorporate service delivery analysis, resource planning and allocation projections into annual budgeting cycle to increase alignment with LTFP	People & Culture Finance ELT		✓	✓	✓
<b>4.5</b> Increase our people's capacity for and responsiveness to change	While change is inevitable, organisations have the capacity to lessen the impact and adapt more easily. A successful change management approach leads to decreased costs, increased time efficiencies and superior results	Introduce a consistent change management methodology and structured approach to change organisation-wide	People & Culture		✓		
<b>4.6</b> Build digital literacy for digital enablement	To equip our workforce with key digital skills and literacy	Assess organisational digital literacy capability and identify digital skills gaps and strengths	People & Culture	✓		✓	
		Create capability uplift program to meet skills uplift requirements	People & Culture	✓	✓	✓	✓

Focus Area Outcome	Performance Measurement	Source	Baseline	Target
<b>Adapt and be prepared for future workforce needs</b>	Build People Analytics roadmap, including delivery of Leader People Analytics Dashboards	HRIS	N/A	Roadmap
	Increase in resource planning capability – greater alignment of budgeted to actual FTE	HRIS	N/A	Baseline
	Creation of talent pools and recording of critical position skill requirements	HRIS	N/A	100% recorded
	Increase in ratio of workforce with active development plans	HRIS	88%	92%
	Digital literacy – increased capability and uplift	HRIS	N/A	Increase 20%

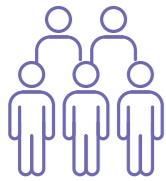
# Forecast Investment in our People Programs

Priority Area – Program	2022/23	2023/24	2024/25	2025/26
<b>Strengthen our Workplace Culture</b>				
Employee Listening Surveys	40,000	63,000	68,000	70,000
Health Monitoring	100,000	100,000	100,000	100,000
Inclusion, Diversity & Equity Strategy	50,000	5,000	5,000	5,000
Aboriginal Engagement Strategy Initiatives	20,000	10,000	10,000	10,000
Culture Strategy	20,000	50,000	-	-
Wellbeing – Psychosocial	80,000	90,000	100,000	100,000
<b>Invest in our People to Grow and Excel</b>				
Leadership Capability and Academy	150,000	170,000	170,000	170,000
Mentoring and Coaching	10,000	10,000	10,000	10,000
Performance Development - automation	20,000	-	-	-
<b>Build the CN Brand</b>				
Employee Value Proposition	50,000	50,000	50,000	50,000
Rewards and Recognition	47,000	60,000	60,000	60,000
Position Skills Matrix and Inventory	-	-	-	-
Succession Planning – critical roles	10,000	10,000	-	-
Talent and Acquisition	140,000	150,000	150,000	150,000
Assessment Centres	75,000	100,000	100,000	100,000
<b>Be Future Ready</b>				
Data Analytics and benchmarking	5,000	5,000	5,000	5,000
Strategic Resource Planning Uplift	-	20,000	-	-
Upskill and reskill Workforce	25,000	25,000	30,000	40,000
Organisational Change Management	20,000	20,000	20,000	20,000
Digital Literacy uplift	30,000	30,000	30,000	30,000

\*initial costs will be co-writing and program development with implementation to be a blend of 60% internal resourcing and 40% external specialist providers.

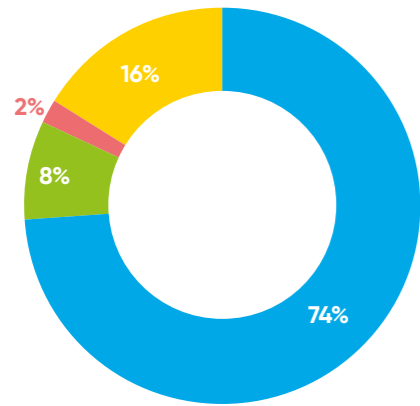


# Workforce Data



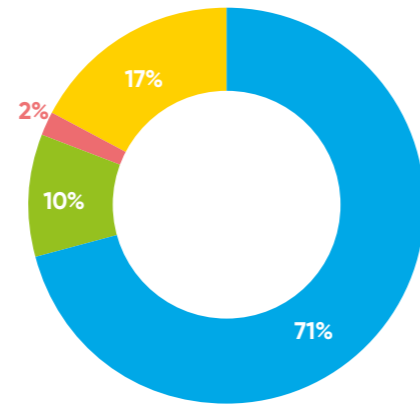
## Employment status 2017

- Permanent
- Fixed term/Temporary
- Trainee/Apprentice
- Casual



## Employment status 2021

- Permanent
- Fixed term/Temporary
- Trainee/Apprentice
- Casual



## Employee Numbers

Our overall headcount has grown by 9.2% from 1,277 in 2017 to 1,394 in 2021.

The breakdown by employment status of our people shows that while permanent employment remains our dominant employment type, it has decreased slightly as a percentage of total headcount from 74% in 2017 to 71% in 2021.

Part-time employment has remained consistent as a percentage of our workforce since 2017 at around 15%.

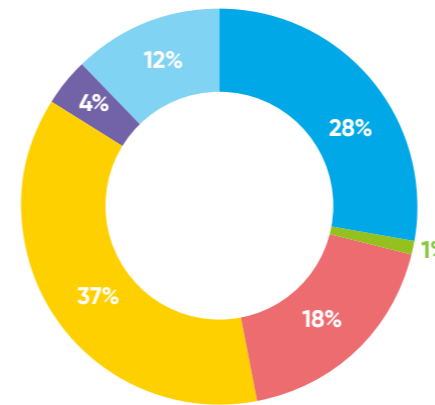
Our number of Full-Time Equivalent (FTE) approved ongoing (permanent) positions has increased by 15% since 2017. During 2020/2021, our average occupancy rate sat at around 90% for our approved ongoing positions.

An analysis of our actual workforce effort shows that while the majority of work is undertaken by individuals occupying approved permanent positions, this is supplemented by a sizeable contingent workforce made up of fixed-term positions, overtime, time in lieu, additional hours, casual labour and contract/labour hire. In 2021, these supplementary forms of labour added the equivalent of approximately 257 FTE to our workforce (note that this is exclusive of day labour and contracted services).

At a Directorate level, Infrastructure & Property is our largest group, accounting for 37% of our workforce, followed by City Wide Services with 28%.

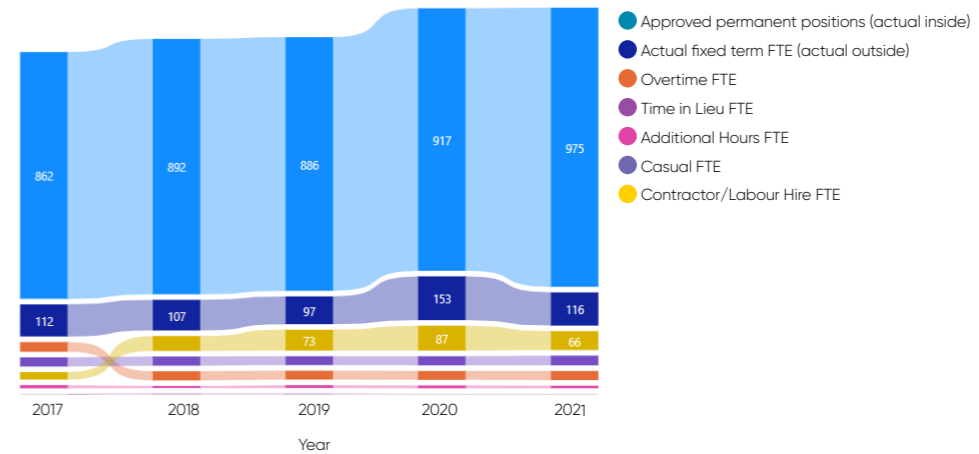
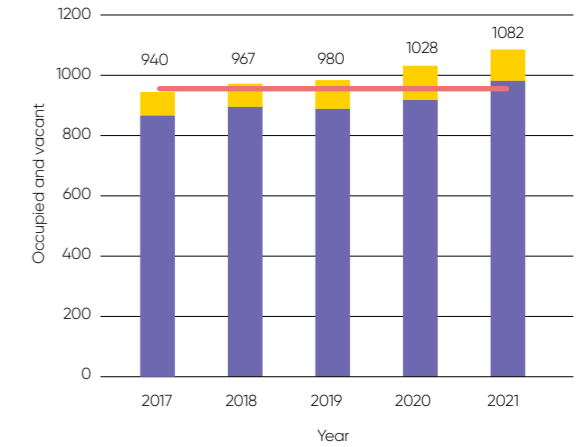
## Approved FTE (inside and outside)

- City Wide Services
- Governance
- People and Culture
- Executive
- Infrastructure & Property
- Strategy & Engagement



## Occupied, vacant and council endorsed FTE

- Occupied
- Vacant
- Council endorsed FTE





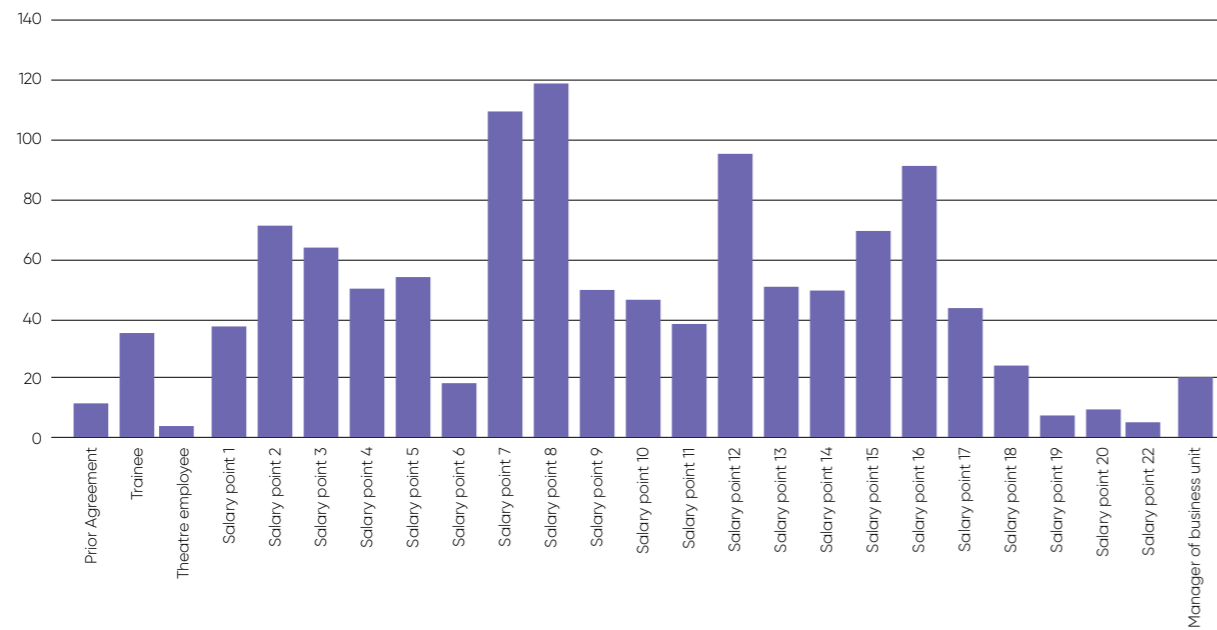
## Employee costs

Unsurprisingly, as employee numbers have risen, so have employee costs, increasing by over \$10 million since 2017. As financial pressures on the organisation increase, additional attention will need to be given to all areas of expense. For comparison, CN's employee costs as a percentage of operating expenses are 33%, remaining well below the median of surveyed NSW councils (36%).

Total employee costs expended (\$)



## Salary point distribution



## Employee Remuneration

In terms of distribution across our salary system, our workforce has the largest numbers gathered around salary points (SP) 7–8. From 2019, limitations of our current salary system have been consistently raised across manager and employee cohorts at CN as a contributing constraint to attracting and retaining levels of talent required to achieve objectives. While salary levels at CN are consistently 15% higher across all salary points compared with the NSW Local Government Award rate, additional market forces such as rarity of niche skills, competition in the

local market and employee expectations present additional attraction challenges. When it comes to retention, active development access to progression is a key driver, with around 50% of exit interview respondents noting that their new employer was offering 'more opportunities to progress/promotional opportunities' and 'higher salary'.

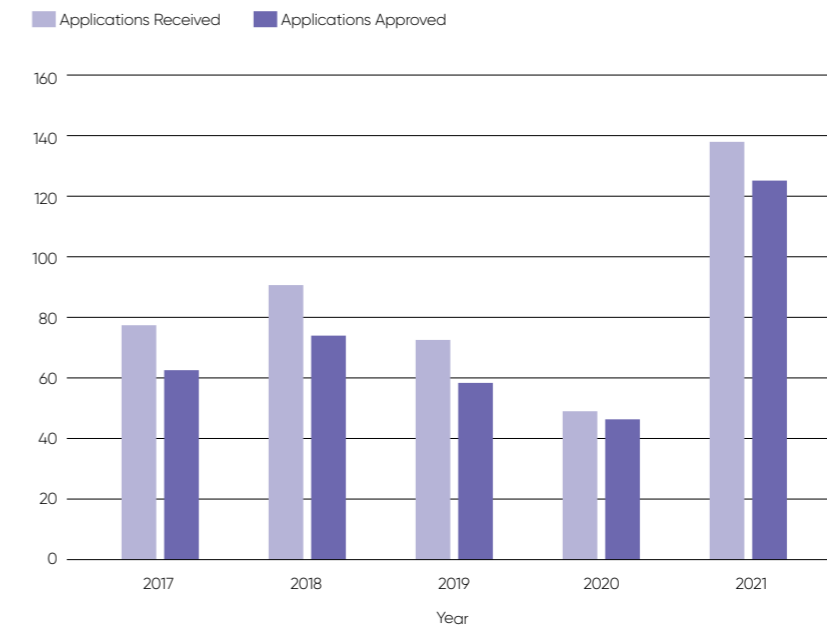
Current work on the existing salary system review aims to address key components of a consistent, clear and equitable approach to progression and provide greater remuneration governance and transparency.

In terms of leadership succession, there is a marked decline in the number of positions at the top end of the salary system. This means a finite number of opportunities for managers and/or leads at SP 17–18 to develop through additional duties, secondment or successful promotions to higher-level positions at SP 19–24 and beyond. This presents a leadership resourcing challenge and can create narrow succession pools over time or low percentages of high potential talent on active development. In addition to salary system considerations and progression opportunities within positions, CN will benefit from considering career pathway opportunities, particularly for positions that are critical roles, which benefit from having internal expertise, experience and knowledge.

The 2020/2021 financial year was record-breaking for above-award annual salary progression applications, with a 180% increase in the number of applications received and a corresponding high rate of approvals. This was the first year that the application process was available via an online form, making it more easily accessible across the business, and it is likely that in the previous financial year (2019/2020), there was a reduced focus within the workforce to submit an application due to the significant uncertainty and external priorities associated with the first wave of the COVID-19 pandemic.

However, even compared to previous years, this was a significant increase in the number of applications received and represents an increase in employee costs of around \$350,000 per annum.

Salary review applications



CN's market allowance policy is used to attract and retain employees where the market salary is higher than what is available under our salary system. In recent years it has been utilised mainly within the Assets & Projects service unit, which accounts for 77% of the 15 market allowances currently in force across the organisation.





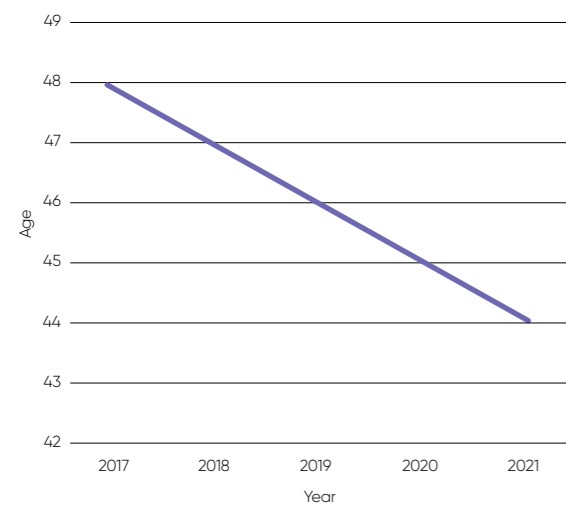
## Age

Our average employee age has decreased by one year annually from 48 years in 2017 to 44 years in 2021. The average age of our volunteers is 59 years.

Similarly, the percentage of employees approaching retirement (55+ years) across CN has fallen significantly from 39% in 2017 to 24% in 2021. This figure is now comparable to our community, where 28% of the population is 55 years or older. At the service unit level, some areas have a disproportionately high percentage of the workforce approaching retirement, including:

- Property & Facilities – **50%**
- Libraries & Learning – **39%**
- Parks & Recreation – **31%**
- Finance (Rates & Debt Management) – **63%**

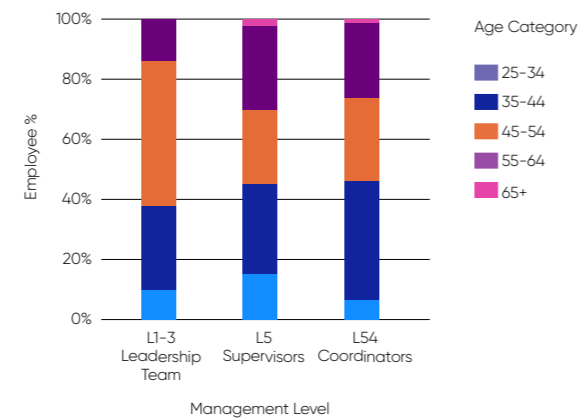
### Average age of employees



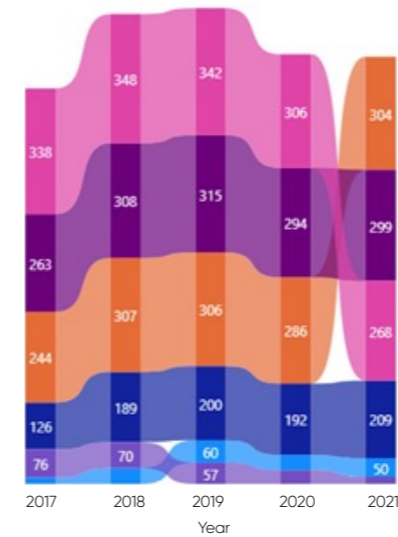
Aside from the loss of corporate knowledge that comes with retirement, there are risks for CN regarding the natural physical decline that comes with the ageing process, including 'reduced hearing, vision and muscle strength, degeneration of bone mass, reduced aerobic capacity and endurance, reduced tolerance to extreme temperatures and increased risk of cardiovascular problems<sup>5</sup>, particularly for physically demanding roles.

Consideration should be given to implementing job rotation, ensuring diversity of ages and capabilities within crews, multiskilling, reskilling or transfer to a safe job where practicable. Although there are generally lower rates of injury among older workers, the 'severity and duration of lost time increases with age'.ii

### Employee %



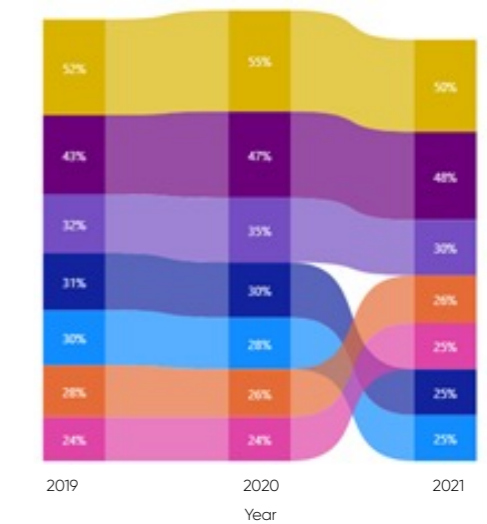
### Number of employees



Age Category

- <25
- 25-34
- 35-44
- 45-54
- 55-64
- 65+

### Percentage of employees over 55 years



Service Unit

- Civil Construction and Maintenance
- CN
- Finance
- Libraries and learning
- Museum
- Parks and Recreation
- Property and Facilities

While our current Enterprise Agreement (2019) does include provision for a phased retirement program (clause 52), this has only been accessed by one to two employees each year. It is recommended that particular transition strategies are activated across CN with targeted efforts in the areas above, to ensure knowledge transfer and proactively address continuity considerations or increased risks of injury associated with ageing in physically demanding roles.

At the leadership level, the percentage of the workforce approaching retirement (55+ years) is most significant at the Supervisor (L5) level, with around 31% of the cohort. Again, knowledge transfer will be a key consideration for these positions as incumbents transition to retirement.

This is the first time in history that all five generations have existed in the workforce simultaneously<sup>6</sup>. This has implications for the way we attract, retain,

communicate with and develop our people.

A one-size-fits-all approach is no longer appropriate. The generational mix of employees at CN is shifting, with the 35-44 year age group becoming the dominant segment for the first time in recent history. The millennial generation is likely to increase as a percentage of our workforce (expected to reach 75% of the total Australian workforce by 2025iv), and understanding their values and expectations will be critical.

Contrary to the general trend in Australia of people choosing to work longer due to longer life expectancies, CN appears to be experiencing a trend towards earlier retirement, with the number of employees over 65 years dropping from 76 (or 7% of our workforce) in 2017 to just 20 employees (1.7% of our workforce) in 2021.



## Length of Service

Between 2017 and 2021, the average length of service decreased by one year annually, from 15 years to 11 years. This remains significantly higher than the national average of 3.3 years<sup>7</sup>. Such lengthy average tenure has many advantages, including commitment to the organisation, knowledge and experience, and reduced costs associated with hiring and training new employees. However, it is also possible that performance complacency can become an issue and career advancement can be hindered. Fortunately, CN is a diverse organisation that supports a large volume of internal secondments and appointments, which means our people are able to access development and promotional opportunities within the organisation.

Interestingly, there is a vast difference across the service units in terms of average length of service, ranging from Strategic Partnering (two years), IT (five years) and Customer Experience (four years) at one end of the spectrum to the Museum (15 years), Depot Operations (16 years) and Property & Facilities (18 years) at the other. The average length of service among the leadership team is around half that of the broader workforce at 5.5 years.

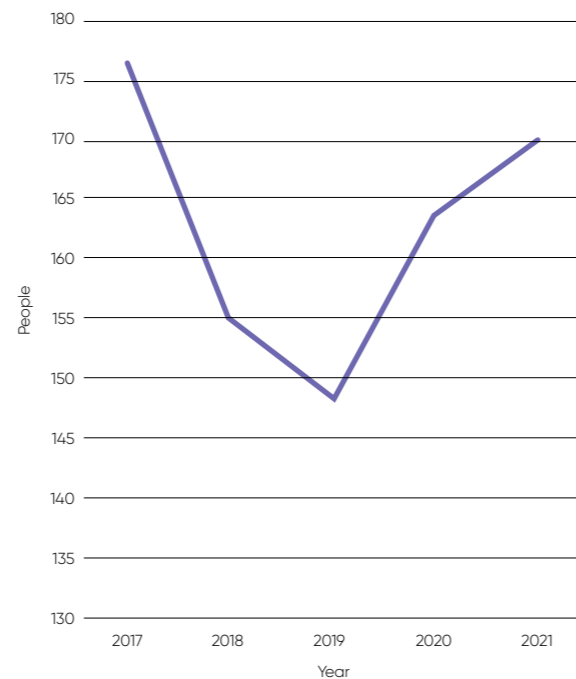


## Excess Annual Leave

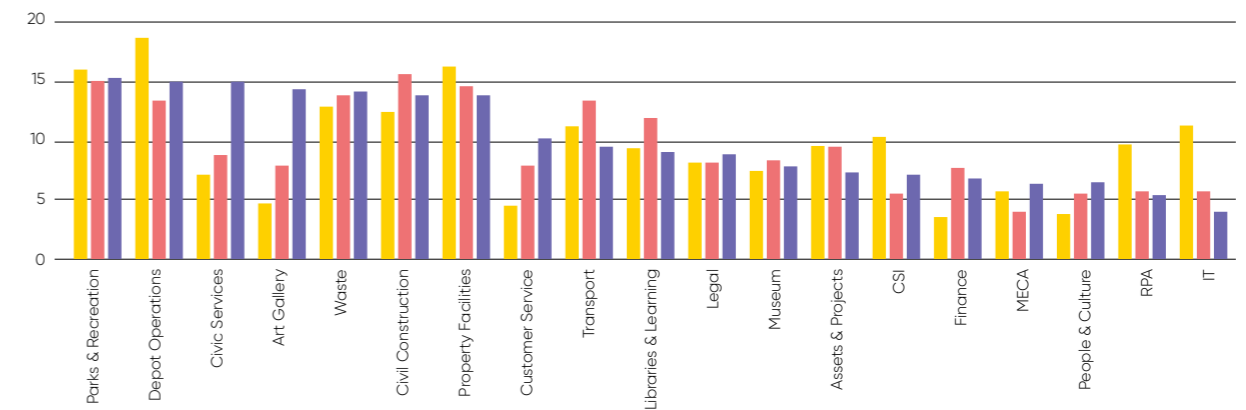
From 2017, the number of people with excess leave has reduced steadily; however, following the pandemic in 2020, numbers have begun to escalate. In 2021, approximately 12% of CN employees have in excess of eight weeks' annual leave, which is aligned to 12% of surveyed NSW councils. With ongoing stay-at-home orders and travel restrictions continuing throughout 2020 and 2021, many managers reported being unsure of how to manage excess annual leave within the current environment.

Another emerging issue of note was that due to the increased specialisation within some professional areas (such as Community, Strategy & Innovation), there was little contingency across roles to facilitate people being able to take leave.

### Number of People with >8 weeks AL



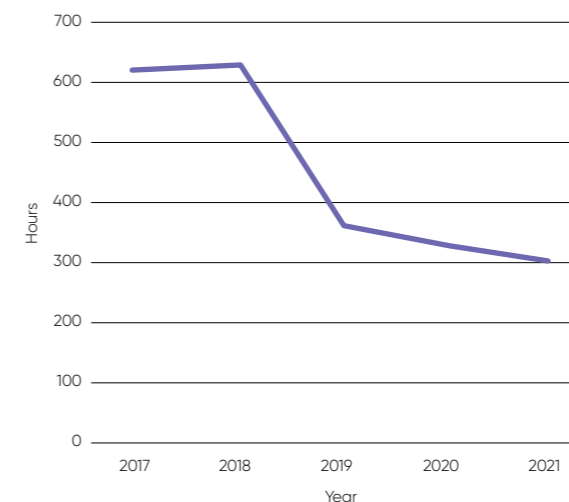
### Average personal leave days per person



## Long Service Leave

The percentage of our workforce with over 12 weeks of long service leave (LSL) in 2021 was 26%, which is above the average of 24% across surveyed NSW councils. The average number of LSL hours per person dropped following the exit of a large number of long-term employees over 2018/2019. There are a number of service units with particularly high average LSL hours per person, including Depot Operations (569 hours), Property & Facilities (556 hours), and Finance (489 hours). Unsurprisingly, these service units are also identified as having a significant proportion of their workforce approaching retirement age and holding significant corporate knowledge with long tenure.

### Average LSL hrs per person

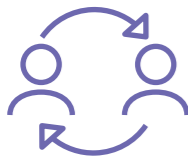


## Personal Leave

The median sick leave days taken during 2021 was 7.4, which is above the average of 6.4 days taken across surveyed NSW councils.

Historically, the average number of personal leave days per year has fallen since 2018 (12.15 days per person to 10.8 days per person in 2021), which may be attributed to the removal of the requirement for certification introduced in the 2019 Enterprise Agreement. Increased availability and use of flexible working arrangements, improvements in technology facilitating working from home, and changing attitudes towards working from home as a result of the pandemic have likely also contributed.

At the service unit level, vast discrepancies exist, with customer-facing service units (e.g. Parks and Recreation at 15.4 days per person) generally tending to take more leave than back office or administrative units (e.g. IT at 4.3 days per person), who are more likely to have working from home options. Managers reported divergent views on the option of working from home when sick. It is recommended that CN develops a consistent position on this to avoid inequities moving forward.



## Turnover

Turnover is currently reported at 12.9% across CN, which is below the surveyed NSW councils average of 13.5%. The total number of exits from the organisation, particularly by resignation (regrettable turnover), has fallen year on year, followed by a slight uptick in 2021. At the service unit level, regrettable turnover during 2021 was significantly higher than the CN average in IT (27%), Major Events & Corporate Affairs (13%) and Customer Experience (11%). Interestingly, this directly correlated with feedback from our 2020 engagement survey, which saw all of these service units (with the exception of Customer Experience) rank in the bottom five service units for their 'intention to stay' results.

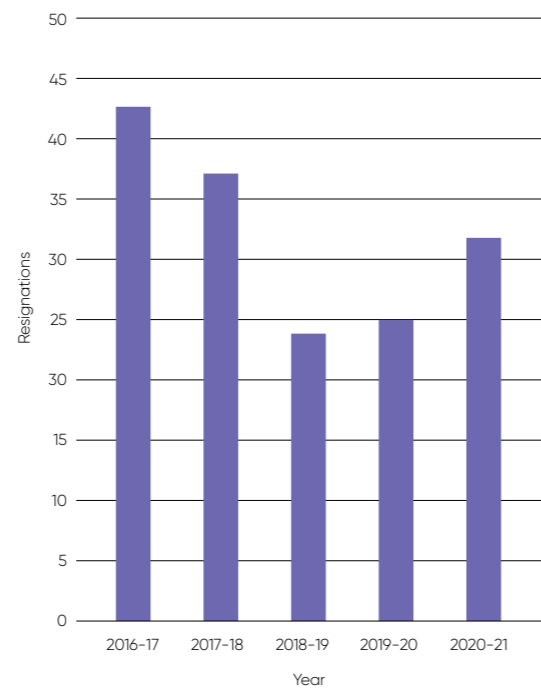
An analysis of exit interview data indicates that the main contributors to an employee choosing to leave were (in descending order):

- More attractive job offer elsewhere
- Organisational culture
- Lack of promotional opportunities
- Lack of development opportunities.

Almost 50% of survey respondents also indicated that their new employer was offering 'more opportunities to progress/promotional opportunities' and 'higher salary'.

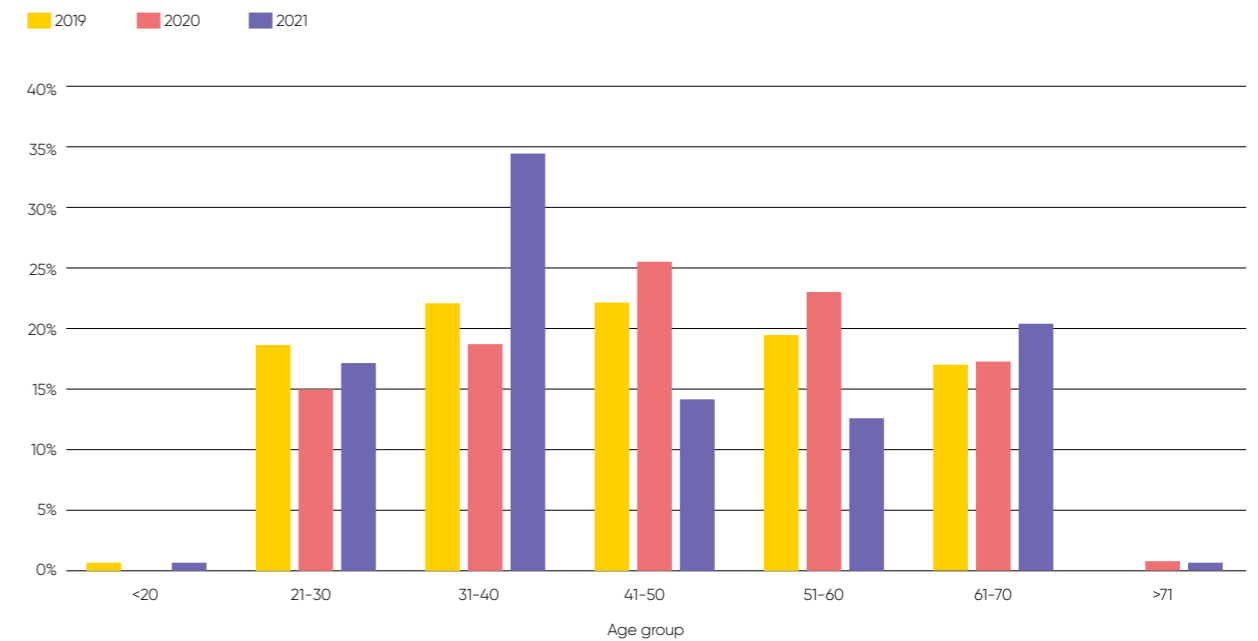
An analysis of exits by age group reveals that during the 2020/2021 year, exits across the organisation were not concentrated within any particular age bracket. Interestingly, an analysis of our 2021 engagement survey data reveals that 'intention to stay' is higher among our oldest employees (60+ years at 7.2/10) than any other age groups (6.1–6.4/10).

### Resignations in first year



Resignations in the first year fell steadily from 2016/2017 to 2018/2019, but have begun to creep back up over the past two years. This correlates with data received in our 2021 employee engagement survey, which showed that intention to stay dropped sharply between the first three months (8.1, N=30) and two years (5.9, N=134) after joining. Given the significant time and costs involved in the recruitment and onboarding process, this metric will need to be watched very closely. First-year turnover can be very disruptive, costly and frustrating for the business and may be indicative of a mismatch between job advertising/promotion and job expectations in reality, and/or a poor onboarding experience.

### Exits by age group



## Diversity

Our *Inclusion, Diversity and Equity Strategy* identifies five focus areas: Aboriginal and Torres Strait Islander Engagement, Accessibility (i.e. people with disability), Cultural and Linguistic Diversity, Gender Equity and LGBTQI+ Inclusion. During this plan, CN is expanding our key people datasets and will be actively creating a data baseline for these focus areas. This will involve collection and analysis of data about these additional cohorts in the future.



## Gender

Gender diversity across the organisation has improved from 36% women in the workforce in 2017 to 41% in 2021, moving CN much closer to the surveyed NSW Council average of 44% women. The most significant gains have been at the leadership level, with diversity among our Level 1–3 leaders increasing from 36% women in 2017 to 54% women in 2021. This far exceeds the surveyed NSW councils average of 31% women at the leadership team level. The challenge of attracting women to non-traditional roles remains, resulting in a serious lack of gender diversity within particular service units, such as:

- Civil Construction & Maintenance - **1% women**
- Property & Facilities - **13% women**
- Depot Operations - **17% women**
- Parks & Recreation - **25% women**
- IT - **27% women**
- Waste Services - **28% women**



### Paid Parental Leave

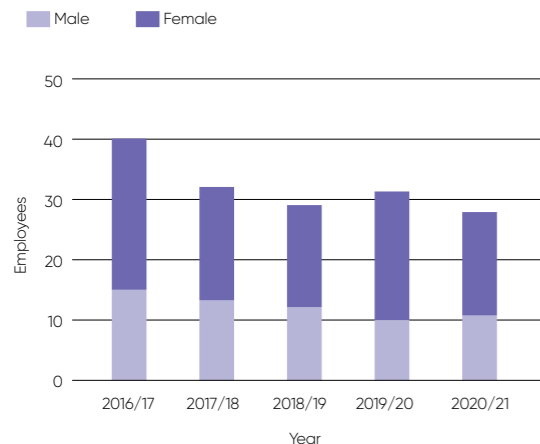
CN offers a generous paid parental leave scheme to the primary carer of a new baby in addition to federal government paid parental leave. The number of employees accessing paid parental leave has declined since 2016/2017 and then remained relatively stable over the past four years.

Since 2016/17, it is pleasing to see that the scheme has been enjoyed by both men and women, with:

**38%** of participants **men**

**62%** of participants **women**

**Paid parental leave**

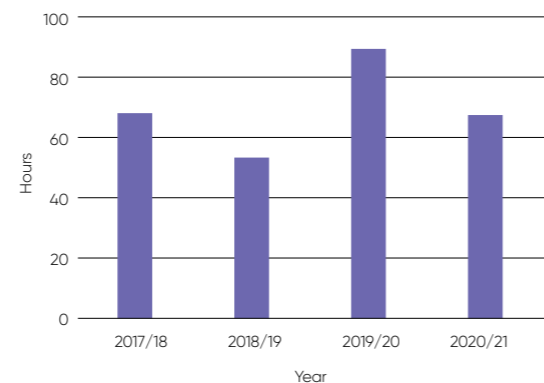


### Aboriginal & Torres Strait Islander Employees

CN recorded a slight improvement in the number of employees who identify and share as Aboriginal and Torres Strait Islander between 2017 (2.6%) and 2021 (3%). This figure is slightly below being representative of our community, with Aboriginal and Torres Strait Islander people making up 3.5% of the Newcastle LGA population.

Paid cultural leave provisions are available through our Enterprise Agreement and have been accessed by our employees each year during NAIDOC Week.

**Cultural leave hours**



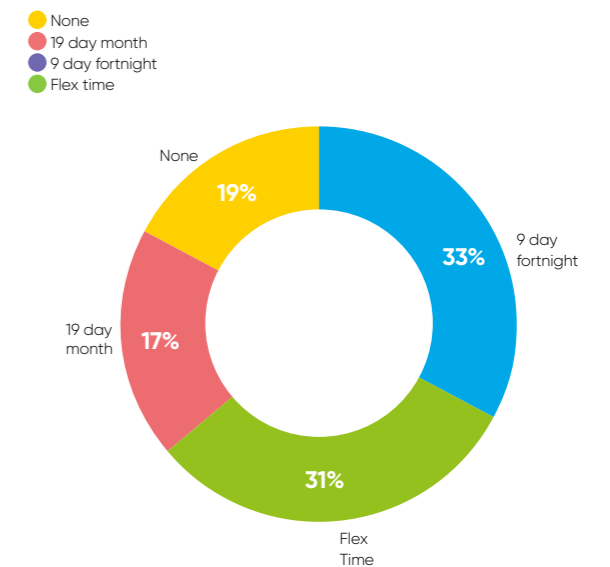
### Flexible Work Arrangements

The introduction of the 2019 Enterprise Agreement facilitated a number of flexible work arrangement options for our employees. Data indicates that in 2021, 81% of employees were participating in either a nine-day fortnight, flex time or 19-day-month arrangement. The nine-day fortnight arrangement appears to be preferred for service units that predominantly work in crews, such as Civil Construction & Maintenance and Parks & Recreation, while the flex time arrangement is more popular among professional staff such as Regulatory Planning & Assessment and Assets & Projects.

It should be noted that there is no process for the systematic updating of flexible work arrangements over time, and as such, data accuracy cannot be guaranteed. It is recommended that a process for the regular maintenance of this data is established. In addition, an audit of flex balances at 30 June 2021 revealed over 100 employees carrying in excess of the two days of flex leave allowed under the system. As these balances are not currently captured within the payroll system, this creates an additional 'hidden' leave liability for the organisation, and it is recommended that this be addressed.

Other flexible working provisions introduced in the 2019 Enterprise Agreement have been taken up in much smaller numbers, such as purchased additional annual leave (13 employees in 2019/2020 and 10 in 2020/2021) and working four out of five years provision (six employees in 2019/2020 and five employees in 2020/2021).

**Flexible work arrangements**



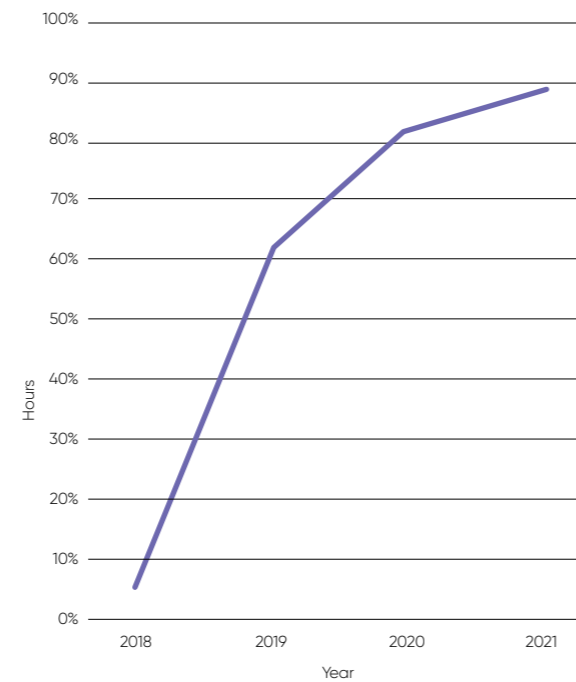


## Performance Framework

Significant improvements have been made in the focus and quality of the Performance Development Plan process over the duration of the previous workforce plan. This has included an education, training and communication program, sourcing employee feedback and implementing improvements, marketing and driving the benefits across the organisation.

The result of these improvements, along with increased focus on this process, are reflected in the significant growth in the number of plans completed annually. The next phase of improvements includes the quality of the performance discussion and movement towards an online system.

% of eligible employees



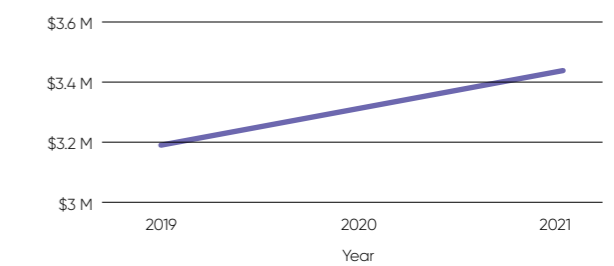
## Overtime

An analysis of total expenditure on overtime shows an upward trend over the past three years. Waste Services (\$1.2m), Civil Construction & Maintenance (\$0.9m) and Property & Facilities (\$0.6m) account for around 80% of CN's total overtime bill.

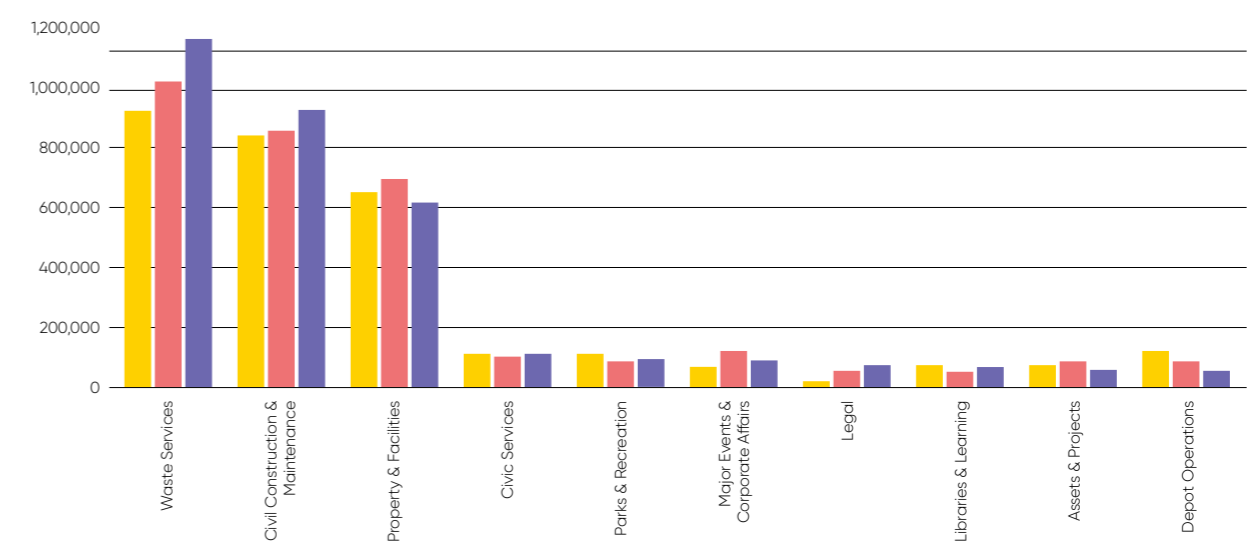
Many of the highest-ranking service units run seven-day operations or are required to undertake work outside of normal business hours. Overtime is used as an incentive to get people to work during these less desirable days/times. For this reason, these levels of overtime are expected to continue.

During 2020/2021, 45 individuals worked a substantial amount of overtime, in excess of 300 hours each. The biggest percentage increases in overtime between 2019–2021 were seen within Waste Services, Civil Construction & Maintenance, Legal, and Major Events & Corporate Affairs.

Overtime \$ per annum



Overtime spend (\$)





### Investing in capability

CN continues to invest in developing the capability of our people. Average actual spend per person (excluding casuals) has increased year on year since 2017/2018.

To ensure training opportunities meet the unique needs of our diverse business, CN has supported placements at over 73 different safety training courses, in excess of 100 distinct professional development courses and almost 115 different conferences and workshops (2020/2021).

The number of people accessing the Employee Education Assistance Program, which provides time and financial contributions towards additional qualifications, has remained constant, increasing slightly from 34 in 2017/2018 to 38 in 2020/2021.

CN's Undergraduate, Trainee, Apprentice and Graduate Program (UTAG) continued to deliver training opportunities to our community. Service Unit Managers involved in the program were very supportive, delivering a steady pool of trained and qualified candidates in some areas where recruitment had been a challenge, such as Regulatory Planning & Assessment, Assets & Projects and Civil Construction & Maintenance.

#### Actual training spend per person exc casuals



### Number of new positions offered

Year	UTAG
2017/2018	27
2018/2019	9
2019/2020	22
2020/2021	22



### Engagement

CN is committed to undertaking an annual employee engagement survey. During 2021, our engagement survey was completed by 811 respondents and generated over 11,500 unique comments. Our overall engagement score improved from 6.9/10 in 2020 to 7.0/10 in 2021.

Organisationally, our areas of strength were peer relationships, goal setting, a sense of accomplishment and managers caring for our people.

Areas for improvement included communication of our organisational goals and strategies and workload pressures within some areas of the organisation. One of our lowest-scoring cohorts in terms of workload pressures was Service Unit Managers (5.1, N=15), who also scored poorly for intention to stay (5.8).

At a service unit level, Legal, Safety & Wellbeing, Waste Services and Regulatory Planning & Assessment staff were the least likely to report that their workloads were manageable. The teams reporting the most manageable workload included the CEO's office, Museum and Art Gallery.





## Safety & Wellbeing

While greatly improved from 2018/2019, our Lost Time Injury Frequency Rate (LTIFR) does appear to be on an upward trend.

When analysing the total number of injuries by age over the previous four years, there appears to be an increasing number of injuries associated with increasing age up to 55 years. After this, the numbers reduce fairly significantly in the 55–65 year age bracket. However, this may be reflective of the smaller size of our workforce for these higher age cohorts. CN implemented a *Health & Wellbeing Strategy* in 2020.

Built around our three pillars of physical, mental, and social and financial wellbeing, the strategy outlines a number of initiatives for implementation over the next five years.

CN currently has a range of programs in place to support the wellbeing of our people, including:

**Corporate fitness program**  
(62% of employees are paid members)

**Flu vaccinations**

**Alcohol breathalyser**

**Spark Speaker Series**

**Mindarma**

**Fruit box**

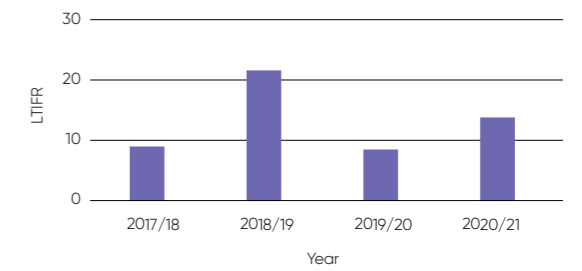
**Body composition analyser**

**Sit-stand desks**

**Employee Assistance Program (EAP)**

Utilisation rates for our EAP declined during 2019/2020; however, we have seen appointment numbers increase again during 2020/2021.

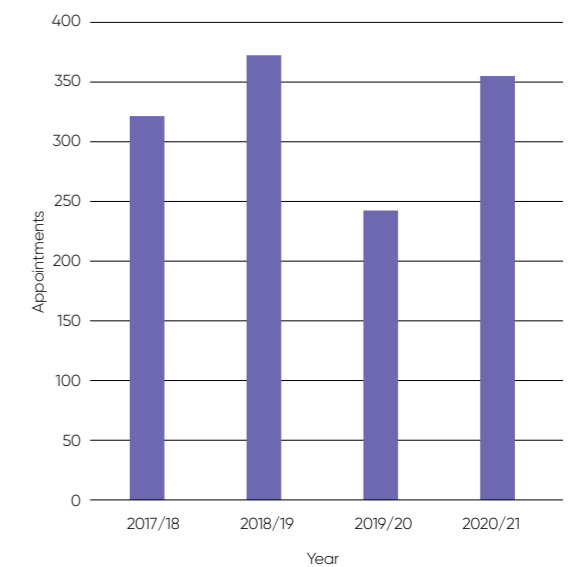
### Lost Time Injury Frequency Rate (LTIFR)



### Number of injuries by age



### EAP Appointments





## Our LGA

The LGA population has continued to increase steadily, and this trend is predicted to continue for the duration of this workforce plan. A growing population means continued demand on all of the services our organisation provides.

There are growing community expectations for CN to deliver or commence significant regional projects during the term of this workforce plan, including:

**Art Gallery expansion**

**Broadmeadow Catalyst Area, including Hunter Park sports and entertainment precinct**

**Wallsend Active Hub**

**Food and organics recycling facility at Summerhill**

**Newcastle Foreshore upgrade**

**Western Corridor recreation project**

**Climate Action Plan**

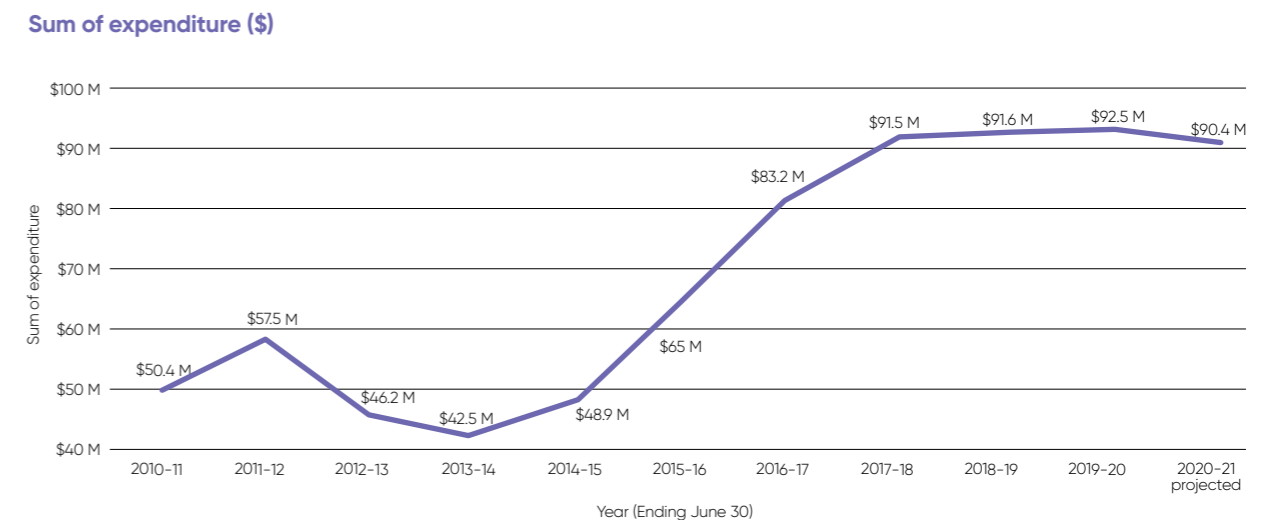
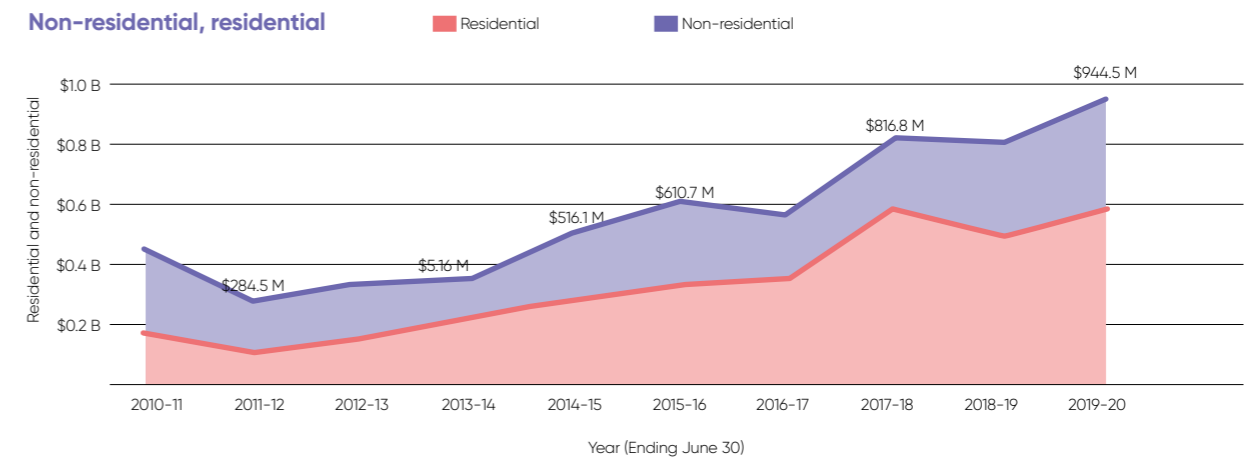
Newcastle Airport will also be receiving a runway upgrade to facilitate international flights directly in and out of the region. This is likely to create significant tourism and economic development opportunities for Newcastle, placing additional pressure on our organisation to ensure our infrastructure and services facilitate and support the LGA and our community to take full advantage of this.

The increase in both residential and non-residential construction has also been significant<sup>8</sup> over recent years. This has placed enormous pressure on the service units responsible for supporting and assessing these developments, particularly Regulatory Planning & Assessment. While some additional FTE have been provided in an attempt to reduce turnaround times for our community,

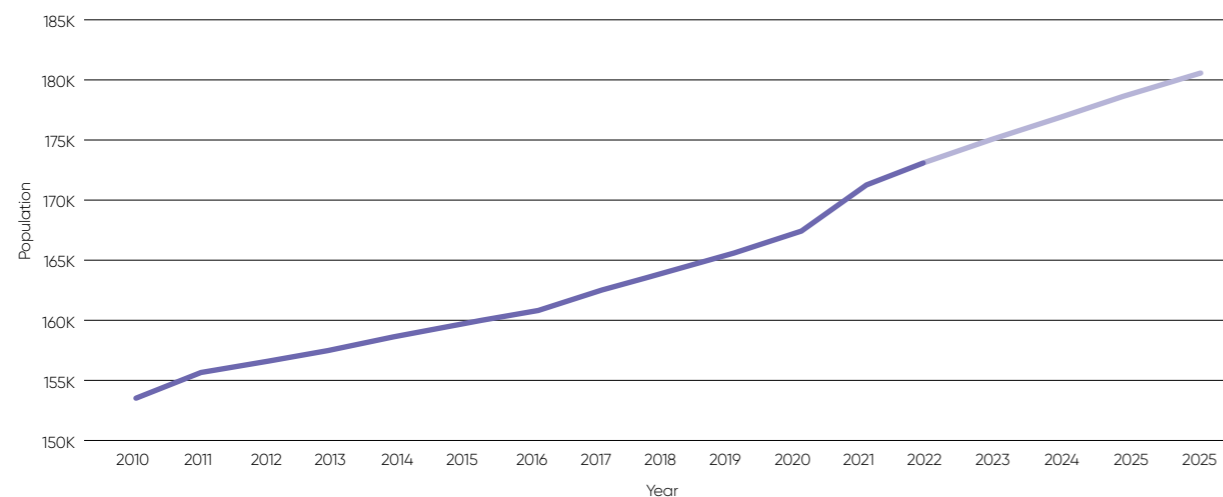
increases in development, turnover and attraction challenges have made this difficult to sustain.

The value of our Capital Works Program doubled from \$42.5m in 2013/2014 to \$91.5m in 2017/2018<sup>9</sup>. This has put pressure on the service units responsible for the planning and delivery of these works and has resulted in the use of external contractors to assist in meeting program requirements. Over the last three years, we have seen a stabilisation of actual expenditure around the \$90m mark, and this trend is expected to continue.

In order to sustain this level of capital works, a need for additional contract management resources has been identified within the Civil Construction & Maintenance service unit.



## Newcastle population





# Supporting Documents

## Source Data

1. <https://hbr.org/2018/01/the-leaders-guide-to-corporate-culture>
2. [https://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/communityprofile/SSC12949?opendocument](https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/communityprofile/SSC12949?opendocument)
3. [https://www2.deloitte.com/au/en/pages/economics/articles/future-of-work-now-is-apac-ready.html?id=au:2ps:3gl:4resilience\(resilienthub,\\_resilient\\_orgaization\):GC1000014:6abt:20211001:gcp100039\\_au\\_3](https://www2.deloitte.com/au/en/pages/economics/articles/future-of-work-now-is-apac-ready.html?id=au:2ps:3gl:4resilience(resilienthub,_resilient_orgaization):GC1000014:6abt:20211001:gcp100039_au_3)
4. <https://sloanreview.mit.edu/article/toxic-culture-is-driving-the-great-resignation/>
5. <https://cdo.mit.edu/blog/2022/03/07/podcast-how-toxic-work-cultures-are-driving-the-great-resignation/>
6. [https://www.lgnsw.org.au/common/Uploaded%20files/PDF/Local\\_Government\\_Workforce\\_and\\_Future\\_Skills\\_Reports\\_%E2%80%93\\_Australia.pdf](https://www.lgnsw.org.au/common/Uploaded%20files/PDF/Local_Government_Workforce_and_Future_Skills_Reports_%E2%80%93_Australia.pdf)
7. The Great Retention (smilingmind.com.au)
8. Hays+Salary+Guide+FY2122.pdf





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